

**CENTER FOR ECONOMIC GROWTH AND  
AGRICULTURAL DEVELOPMENT**

**FY 2001**

**RESULTS REVIEW  
AND  
RESOURCE REQUEST**

The attached results information is from the FY2001 results review and resource request (R4) for G/EGAD and was assembled and analyzed by USAID/G/EGAD.

The R4 is a "Pre Decisional" USAID document and does not reflect results stemming from formal USAID reviews. Additional information can be obtained from James Bonner, G/EGAD.

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## **Please Note:**

The attached FY 2001 Results Review and Resource Request ("R4") was assembled and analyzed by the country or USAID operating unit identified on this cover page.

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## **The Center for Economic Growth and Agricultural Development: Challenge and Results in 1998**

... A current snapshot of the world economy shows an economic situation dramatically different from just a year ago. What started as a regional economic slowdown grew into a global crisis...36 countries that account for more than 40 percent of the developing world's GDP and more than a quarter of its population will likely see negative per capita growth in 1998. [*Global Economic Prospects 1998/99 and the Developing Countries: Beyond Financial Crisis, The World Bank, December 1998*]

### **I. Overview**

The challenge of sustainable, broad-based economic growth is as real today as it was in 1961, when USAID was established. Although much has been learned about the dynamics of growth in this period, the events of 1998 underscored again the need of development assistance agencies to continue the process of learning, innovating, and developing more effective approaches both to generating economic growth and to ensuring that all citizens share in the benefits of that growth.

As analyses carried out in 1998 by the Global Bureau's Center for Economic Growth and Agricultural Development (G/EGAD) confirmed, the current level of global hunger and food insecurity can only be significantly reduced if greater and better targeted efforts are made by the world community, including the developing countries themselves, to increase incomes. These efforts must be directed toward increasing agricultural productivity and greater participation of rural producers and small entrepreneurs in market economies as well as the institutional and regulatory development needed to underpin competitive commercial/industrial sectors. Broad participation in economic decision making, especially through democratic means of expression, the prevention of conflict and promotion of recovery from the many conflicts currently affecting the developing world, and the improvement of women's education and status are also critical elements of a comprehensive approach to growing food and income security.

As this R4 shows, the Center's programs are an important intellectual part, if only a small financial part, of USAID's efforts to contribute to the achievement of these goals. The Center's **technical leadership** in 1998 contributed to shaping the development agenda for the Agency in the areas of economic and agricultural growth. We improved understanding of the dynamics of growth through the sponsorship of analytical work with a number of partners as well as exploring the development of more effective approaches for broadening participation as well as making growth more sustainable and more environmentally aware. "Old methods" for promoting growth (microcredit, land titling) were improved and the potentials of new ones (distance education, internet-based marketing of goods and services, public-private partnerships) were explored. The Center's **field support mechanisms** in 1998 were expanded with the addition of new IQCs and cooperative agreements. Utilization rates of mechanisms established in earlier years continued to rise. The **development activities implemented directly** by the Center on behalf of the Agency required staff to coordinate closely with other US Government agencies as well as the donor and U.S. university communities and resulted

in continued gains in agricultural productivity, expanded lending to microentrepreneurs, and new global business for American businesses.

Other Center accomplishments in 1998 were: the international agricultural research system undertaking a review of its involvement in activities relating to global climate change and forming a new systemwide committee to explore how it might better respond to the challenge through research and extension partnerships; the Center's production of the first Title XII report submitted by the Agency since 1992, enriching the ongoing collaboration between USAID and the U.S. land grant university community; and expanded credit activities in USAID moving closer to reality as the Center assumed leadership in developing a viable Development Credit Authority (DCA) program.

### **Factors Affecting G/EGAD Performance in 1998**

The ability of the Center for Economic Growth and Agricultural Development (G/EGAD) to achieve results was affected by many of the same positive and negative factors that were described in last year's R-4 report.

- ***Staff capabilities and availability*** enabled us to provide substantial, high-quality support to missions, but OE travel funding limits meant that managers frequently had to make hard choices, selecting: which important field programs were most critical to support; which invitations to significant donor fora would most improve coordination and influence other strategic development approaches; and which analytical/research efforts would be most important in enhancing understanding and shaping future strategic approaches in the Agency. Our ability to use program funds to mobilize RSSAs' and AAAS Fellows' participation in many events was crucial to assuring USAID representation in many important events, given the continuing decline in direct hire staff numbers.
- Our ***strong relationships with agricultural research centers of excellence***, both in the U.S. and in the international agricultural research system, enhanced our effectiveness in dealing with issues of agricultural productivity, in optimizing the role of these institutions, and in understanding and helping shape government policy on such increasingly thorny international issues as genetic engineering of plant material. At the same time, these positive relations were repeatedly undercut by the continuing downward pressure on G/EGAD's agriculture funding and the lack of flexibility associated with a highly earmarked budget.
- The ***Global Technology Network*** continued to expand and achieved a significant increase in the value of trade transactions and collaborative arrangements with individual US States. However, reductions in the Center budget and competing priorities in some of the most promising regions and field missions has meant that some important business linkage opportunities are not going to be realized (e.g., in southeast Asia). Budget factors have also hampered G/EGAD efforts to move elements of the GTN operation to a fee-for-service basis.

- In general, the *increasing complexity of the development challenge* itself is shaping our strategic recommendations. The interactions among macro and micro economic policy, institutional development, civil and commercial governance, economic growth, agricultural production, and poverty are becoming much better understood. The importance of the Agency continuously reinventing its understanding, priorities, and program mechanisms so as to address effectively the evolving strategic challenge is clear. G/EGAD staff capabilities, analytical activities, and assistance instruments are uniquely directed toward helping the Agency understand this challenge and developing the tools to deal with it. We have increased the interaction among staff members and offices within the Center in 1998 to build teams capable of integrating broader perspectives in pursuit of Agency objectives. But the resources that the Center has available in 1999 are significantly smaller than we had in 1998. We are experiencing a 12 percent budget cut and are moving toward an end-year direct-hire staffing level which is four persons fewer than we had at this time last year. We are also struggling with vacancies engendered by a suspended RSSA arrangement with the Department of Labor in our Microenterprise Development Office.

### **Factors Affecting G/EGAD Future Performance**

FY 2000 requests for greater budgets, particularly for launching a new initiative to sparkplug U.S. actions toward increased food security in the millennium, did not survive the OMB screening. A straightlined budget into FY 2001 will not enable the Center to play fully the role that the Agency expects of it. If USAID is to remain a premier development agency, it cannot continue to underfund and reduce the staffing for the Center for Economic Growth and Agricultural Development.

- The *strategic partnering with U.S.-based nongovernmental (PVO and university) organizations*, which is assured by the Center, will suffer. Carrying through on the Agency's promise of a renewed Microenterprise Initiative in 1999 requires a well-staffed and adequately funded Office of Microenterprise Development. With the assistance of BIFAD, the Office of Agriculture and Food Security is poised to revitalize and redirect collaboration with the U.S. land grant universities, bringing in new issues (natural resource management, food safety) as well as new partners, most notably from the private commercial sector. New funding for this effort is critical.
- *Coordination with donors, multilateral institutions, and other USG agencies* that the Center proactively leads at the global level will be harmed. While PPC may be willing to contribute travel money for Center staff involvement in important international fora, the staffing demands for preparation for meetings and email-based continued consultation with colleagues are still very high.
- The various aspects of *program effectiveness* for which the Center has assumed leadership responsibility – best practices in microenterprise development, applied research on global economic issues, the development of new tools for analysis and problem-solving in key productive sectors (industry, agriculture, workforce development, aquaculture, trade) -- will be affected. These programs are especially

budget-sensitive as we depend on contractors and RSSAs to carry out much of the field assessment, field-testing, analytical work, professional networking, and conferencing which is needed.

- Our capacity to ***implement global programs which support U.S. national interests and achieve USAID strategic goals***, especially in genetic resource development, the establishment of appropriate biotechnology-related laws and regulations, the negotiation and implementation of food aid and agricultural conventions, the pursuit of the U.S. Food Security Action Plan (follow-up to the World Food Summit), the OECD/DAC 21<sup>st</sup> Century agenda, and the operation of the Global Technology Network will be limited. For example, the Center's budget provides for core support to the international agricultural research centers. No single USAID region and no mission will be prepared to assume this role. Yet, without this contribution, and the leadership of USAID in mobilizing the U.S. university community in support of the IARCs, this critical global research system will suffer enormously. There is no denying that these Centers were in large measure responsible for the first Green Revolution. With the new environmental agenda, we are now looking to them for the second "Doubly Green" Revolution needed in the non-irrigated areas of Asia and all of Africa. USAID leadership in the system has been assured by the Center. There are no alternatives.
- The role that the Center plays with regard to ***the Agency's technical workforce development*** will also be constrained. Training and mentoring the intake of agriculture IDIs, addressing the redevelopment of the economics and private sector workforces, and managing the expanded credit roles associated with DCA may stretch our current direct-hire workforce to the point of burnout.

Our Resource Request for FY 2001, therefore, projects both a straight-line assumption and a focussed plus-up. At the \$58.5 million straight-line, we propose the termination of some critical (directive) activities in order to define adequate space for developing new initiatives. Without these new initiatives, the Center will not be able to learn, innovate, and contribute to USAID's effectiveness as a development agency. The Plus-Up Level proposes three key new programs that would receive substantial new funding in support of food security (including microenterprise development), small producer credit, and economic research on issues in the global market place.

As was the case last year, our presentation follows the sequence of strategic objectives associated with USAID Goal 1 (Broad-based economic growth and agricultural development encouraged) in the Agency's September 1997 Strategic Plan.

## II. Results Review

*Strategic Objective 3: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets.*

The Agency's understanding of the importance of institutional and regulatory reform as an essential complement to sound macroeconomic policy is much different now than it was five or ten years ago. Our awareness of the important synergy between poverty reduction, agricultural policy, the role of technology, competitive industries, education and workforce development has evolved significantly in the past few years. The mutually reinforcing importance of the rule of law to civil society and to a dynamic commercial sector is better understood now. The relationship between private capital flows and public institutions and regulation have been underlined by the Asian financial crisis. Our understanding of how to best develop a workforce that actively contributes to the economic growth process is still evolving, but recognition that a more direct dialogue between those who employ workers and those who train them is more efficient than the supply-driven structures is emerging. The appropriate role of governments in facilitating the development of competitive commercial activities is also becoming more clearly understood by development practitioners.

G/EGAD's Strategic Objective 3 articulates the intended outcomes of our efforts to provide technical leadership both within the Agency and in the larger donor community, field support to all regions, and direct development assistance in specific countries and subregions. **Performance of this SO is assessed as being on target.**

### A. Shaping the Development Agenda: Technical Leadership

Programs managed by the Center and the direct contributions made by G/EGAD staff have significantly contributed to reshaping the Agency's strategic agenda for economic growth, but have also, in several areas, shaped development understanding and the strategic approaches adopted by the USG and/or donor community as a whole. Tools that assist policymakers and practitioners to translate theory into action are the concrete results of this work.

- Presentations of ongoing research by members of the staff at the Harvard Institute for International Development (HIID), funded through the G/EGAD-managed CAER (Consulting Assistance on Economic Reform) project, informed actions not only in USAID but in the larger community. Sachs' emphasis on coupling the restructuring of financial institutions in Asia with the strengthening of global financial institutions' capacity to cope with private sector panics was echoed again and again throughout the year. It contributed to the current IMF reform efforts as well as to the development of a significantly different approach to dealing with the impending crisis in Brazil.
- The "web" model, developed in 1996/97 with G/EGAD financing, enables practitioners to address systematically the interrelationships between growth,



competitiveness, health, education, environment, and democracy. It was published in 1998 by the Brookings Institution as “Global Benchmarks: Comprehensive Measures of Development” and can now be found in over 350 libraries around the world.

- Two 1998 workshops, one capital market reform and one on the Rule of Law/Legal and Institutional Reform, brought together more than 360 development practitioners from a range of backgrounds. The capital markets conference was the first AID sponsored, world-wide meeting that brought together developing countries and donors to consider the impact of capital markets on development and the best practices to implement these programs. A keynote speaker at the rule of law/economic growth workshop so effectively highlighted the importance of countries’ legal and regulatory frameworks in establishing the basis for private businesses’ competitiveness in global markets that he was asked to repeat the presentation for the first Worldwide Mission Directors’ Conference in November. This framing of the economic challenge in cross-sectoral terms stimulated a highly-positive reaction from the audience and requests from Mission Directors for further information and consultation have continued to flow in.
- G/EGAD and G/WID together represent the Agency in the OECD/DAC Informal Network on Poverty Reduction. G/EGAD funding enabled American analysts to work with British and German colleagues in drafting the scope of work for the Network’s activities over the next two years and ensuring that poverty and food insecurity are linked, thereby ensuring coherence between donor policies developed in response to the World Food Summit challenge and the OECD/DAC 21<sup>st</sup> Century goals. Analyses updated in 1998 confirmed again that agricultural development is a powerful engine of growth, and one of the most effective means for bringing the poor into the economic mainstream.
- New initiatives were also moved forward. We helped to give shape to: the global challenges posed by electronic commerce and the utilization of the internet for delivery of development services such as technical assistance and training courses by analytical work as well as pilot activities, carried out in coordination not only with regional bureaus and missions but with other USG agencies; the need for flexible, skilled, and competitive workforces – through the initiation of a pilot activity in South Africa; meeting the training needs of developing countries for informed participation in WTO negotiations and implementation by working in collaboration with the Africa Bureau and its missions as well as USTR and USDA; and the potential role of labor unions in economic policy reform dialogues, through workshops with the labor movement in the US carried out jointly with the Center for Democracy and Governance.

## **B. Field Support through Global Assistance Mechanisms**

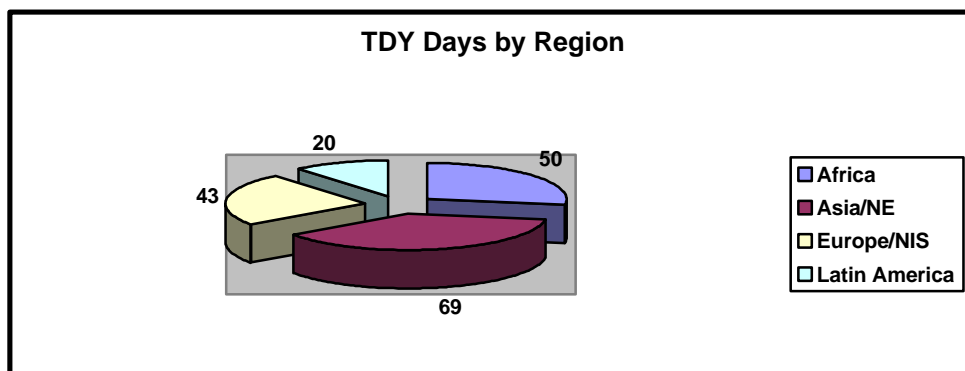
The office’s “Results Package” known as the SEGIR (Supporting Economic Growth and Institutional Reform) IQCs was effective in 1998. SEGIR makes over 250 firms’ personnel available to Missions for both short-term and long-term technical assistance activities. Procurement time for the Missions is significantly reduced as the competitive

procurement of the IQCs means that use of these IQCs for activities budgeted at less than \$2 million does not have to be re-competed. The SEGIR/Privatization and SEGIR/Legal and Institutional Reform mechanisms were fully functional for the full year and were used by 30 missions, with a total of \$36 million obligated through them in FY 98. In addition, SEGIR includes an Inter-Agency Agreement with the SEC, the CAER Project activities, and a cooperative agreement with the FMDAP.

In addition to the revolving grant mechanism launched in 1997 with the Securities and Exchange Commission, which was used by one mission in 1998, the Office of Emerging Markets developed a new revolving grant mechanism in response to a proposal from the Financial Services Volunteer Corps (FSVC). Both of these mechanisms enable missions to tap the expertise of the USG's top financial minds.

Coordination with the Institute for International Education resulted in the recruitment and placement of 25 Free Market Development Advisory Personnel in 14 missions. No funding from G/EGAD is involved but the Office of Emerging Markets helps to ensure that FMDAPpers are oriented and appropriately assigned.

The Office of Emerging Markets (EGAD/EM) worked with over 70 field missions in 1998. We facilitated use of our contracting mechanisms for 124 activities, valued at over \$61 million dollars. The heaviest use was in the ANE and ENI regions followed by AFR and LAC. The EM direct hire staff provided more than 43 workweeks of TDYs to 26 countries in 1999, of which 90% were paid for by Missions.



### **C. Direct Development Impact**

Programs of G/EGAD focussed on this SO area are primarily of a support nature. However, several activities of the Office of Emerging Markets as well as three of the Office of Agriculture and Food Security's Collaborative Research Support Programs (BASIS, the Soils CRSP, and SANREM) contributed on a local scale to the resolution of policy and institutional problems limiting economic growth.

- In 1998, we began to see the impact of a useful tool, the Investors' Roadmap, developed by EGAD/EM in 1995. The Roadmap has now been applied in more than 20 countries and feedback from Missions indicates that it is beginning to result in

substantial changes in investment regimes and policies. Application of the Roadmap in Tanzania resulted in a significant reduction in the time required for business to receive permits and the formation of a public-private commission to deal with bottlenecks in importing and exporting. Corruption has reportedly been reduced. Applications in Namibia, the Dominican Republic, and Zambia also have addressed processing times, procedural changes, and information availability.

- Application of the EGAD/EM developed Commercial Policy Matrix in Jordan led to the identification of serious flaws in the country's investment regime.
- The Government of Mozambique significantly reformed its civil service structure in 1998 as a result of TDY assistance from EGAD/EM that began in 1996. The government reduced 6,000 job categories to 2,000, introduced incentive systems to decentralize the workforce, and introduced a new classification and promotion system.
- The BASIS CRSP focussed on long term, structural determinants of low-productivity agriculture and rural poverty, conducting analyses of household livelihood strategies in rural townships in South Africa, examining post-Soviet farm restructuring to improve efficiency and equity in the Central Asian Republics, and coordinating closely with other donors on land reform in Kyrgyzstan.
- The Soils CRSP participated in efforts associated with the multidonor African Soil Fertility Initiative to find solutions to soil degradation in that region, increasingly seen as a factor in the conflict in Rwanda as well as contributing to low productivity in the agricultural sector. The development of soil conservation approaches developed by the Soils CRSP in Central America influenced the large-scale programming undertaken in that region in the aftermath of Hurricane Mitch.
- SANREM's work at a regional level in the Philippines demonstrated the potential for community-based natural resource management. Since the Philippines adopted a decentralized approach to governance in 1992, local government units have, according to an independent G/EGAD analysis, "refocused [environmental protection efforts] on urban environment and marine protection with less emphasis on reforestation. Program effectiveness in the targeted areas is thought to have improved significantly....and [regarding development planning and promotion]...emphasis now is on geographic planning with immediate operational significance." SANREM-developed tools will enable local governments to take a systematic approach to involving citizens in these efforts.

<p><b><i>Strategic Objective 4: Private sector business linkages support U.S. technology transfer in support of development objectives.</i></b></p>
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Technology transfer is a principal avenue for enhancing productivity in developing countries. Transfer from developed countries, such as the U.S., can be accomplished through one-way trade or through joint venturing of American and foreign companies.

USAID has made great strides in its efforts to encourage developing and transitional countries to adopt business-friendly policies, institutions, and regulatory regimes and to establish the kind of social and economic infrastructure that makes foreign direct investment viable. USAID also developed models for more directly facilitating American trade and investments in ways that will contribute to the achievement of USAID goals and objectives. The U.S.-Asia Environmental and Energy Program (USAEP) is the largest and most well-known of these models.

The Office of Business Development in G/EGAD has worked to extend the USAEP model to other sectors and other regions since 1996. **Progress towards this SO is assessed as being on target.**

#### **A. Shaping the Development Agenda: Technical Leadership**

EGAD/BD developed and manages the Global Technology Network (GTN) and ancillary business development activities to promote trade and investment relationships between U.S. and indigenous small and medium-sized enterprises (SME's) in ways that will foster sustainable economic growth. The GTN: (1) expands the avenues available for the dissemination of technical and developmentally oriented information through the operation of an internet-based business opportunity matching service; (2) fosters the establishment of a self-sustaining mechanism that guarantees the continuation of product and informational exchanges long after grant funding is disbursed by ensuring personal follow-up with involved companies to make sure that the "deals" are completed; and (3) generates U.S. governmental, state, and private sector interest in the kinds of business and informational transfers that will accelerate the entrance of developing nations into the competitive world economy through an extensive program of outreach, training, and coordination.

The GTN is currently the most effective targeted business matching service within the U.S. government. Last year, the GTN was responsible for 76 business transactions, estimated to result in over \$100 million in U.S. business in USAID priority sectors of interest. The current leadership challenge for improving on this record includes:

***Broader participation through outreach.*** GTN's success depends on G/EGAD/BD's ability to improve on both the volume and quality of the input of information through existing developing country networks as well as to open new linkages in additional countries. While progress to date has resulted in a substantial database of U.S. SMEs interested in pursuing global opportunities, with more than 60,000 entries, closer coordination with the U.S. Export Assistance Centers in the U.S. and with other business support organizations in developing and transitional countries is essential toward increasing the potential of the Network. G/EGAD's efforts to improve due diligence screening in order to ensure that leads are passed to reputable firms require additional training for our foreign business representatives, as well as a re-invigorated U.S. screening effort.

***Fee Generation:*** Rather than rely on USAID core funding for the operating funds for the GTN over the long term, G/EGAD has begun to experiment, in partnership with the International Executive Service Corps (IESC) with fee-for-service systems based on transactions. Experience to date indicates that progress toward a self-sustaining level of financing will require better follow-up on leads, more careful screening of buyers and sellers, expansion of domestic and foreign data bases, and the fielding of more aggressive business development representatives overseas.

***Additional Technical Expertise:*** G/EGAD/BD is exploring the potential expansion of three technical assistance efforts to promote increased technology transfer: (1) advisory services to increase foreign indigenous business expertise in order to facilitate business planning; (2) on-site consulting to increase confidence of U.S. firms to carry-through on export transactions, and, (3) a “lead development” service to improve the mechanisms for vetting and storing fiscal information on GTN member businesses. The first two areas of technology transfer are currently supported under an IESC Cooperative Agreement.

## **B. Field Support through Global Assistance Mechanisms**

Since the Global Technology Network (GTN) began operation in 1996, it has provided services in support of the Environmental Technology Network for Asia (ETNA). The GTN was expanded in 1997/98 to provide trade lead matching services to all continents (Asia, Europe, Latin American and Africa) and in areas of technical interest that mirror the development concerns of the Agency (environment, health, agriculture, energy, communication/information technology, and human resource development/training).

In FY 98, EGAD/BD: developed a 14 nation network in Africa in conjunction with U.S. Embassy staffs; added a five country environmentally-focused network in Eastern Europe; and expanded its Latin American network beyond the six major nations serviced under a contract arrangement with the UNDP program DevNet. Four additional Latin American countries are supplying trade leads through private sector sources. All told, the GTN currently gathers trade leads from mechanisms established in over forty countries. The leads are forwarded electronically to the GTN headquarters in Washington, D.C. and, following a thorough quality control review by GTN staff, are sent out to competitive companies in GTN’s 60,000+ U.S. company database. Companies, both U.S. and foreign, exchange information electronically, and GTN staff are assigned to leads which generate interest on the part of the buyer. Small facilitation grants (up to \$5,000) are available for qualified companies as is advice on sources of financial support.

G/EGAD/BD currently maintains working business relations with 27 U.S. state business offices (up from 17 in 1997), and also has working ties with the Department of Commerce, the Department of State, the Department of Energy, the EPA, SBA, EX-IM Bank, and USDA. DOC employees, both in domestic Economic Assistance Centers and Foreign Commercial Service offices are trained and familiar with GTN.

### C. Direct Development Impact

In 1998, the Global Technology Network processed an average of 100 leads per month -- for an annual total over 1,200. But G/EGAD/BD's primary measure of GTN performance is the dollar value of the transactions the office and its systems are able to put together on an annual basis. For calendar year 1998, the estimated total was just over \$100,000,000. Systems are now in place to monitor performance and track the progress of trade leads as they move toward transactions on a fiscal as well as calendar year basis.

***Strategic Objective 2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development***

Issues of agricultural science, trade, and emergency food needs caught the headlines throughout 1998. In an era of shifting roles and responsibilities between government and the private sector, the protection of the public interest as agricultural advances are increasingly made in the domain of proprietary research was an important page two story in the U.S. Advances in the application of biotechnology to crop development and pest management have clearly laid out a path toward increased food supplies, while at the same time raising issues of ethics, environment and health. The Asian financial crisis softened global grain demand, just as American farmers reaped the largest crop ever and commodity prices dropped through the floor. Relief to American farmers took, in part, the form of a rapidly-expanded food aid program, with USDA assuming leadership in programming unprecedented volumes of food to developing and transitional countries.

The Center's framing of its second Strategic Objective reflects its intent to address these immediate, inter-linked concerns with food as well as recognition that sustainable production depends on adequate conservation of the natural resource base. Underlying this Strategic Objective is a focus on the technologies, institutions, policies, and people which must work together to accomplish it. **Performance of this SO is assessed as being on target.**

#### A. Shaping the Development Agenda: Technical Leadership

G/EGAD was a focal point in 1998 for Agency efforts to: collaborate with both domestic and international groups in the drafting of the U.S. Action Plan for Food Security; participate with other donors in directing the international agricultural research system responses to the challenge of global climate change; revitalize its partnership with the U.S. university community in the implementation of Title XII; expand its partnership with private agribusiness interests; and advance our understanding of the impact that changes in agricultural research technology and agricultural trade will have on the ability of the food-insecure in developing countries to improve their situation. In addition, G/EGAD provided Agency leadership in addressing food security issues in the U.S.-European Union consultations and in the U.S.-Japan Common Agenda dialogue.

- ***The U.S. Action Plan for Food Security.*** The outcome of the 1996 World Food Summit was agreement that, by 2015, the number of hungry people would be reduced

by half. G/EGAD supported the Administrator in his role as one of three co-chairs for the Interagency Working Group (IWG) charged with developing an Action Plan for the U.S. G/EGAD also led the formation of a Food Security Advisory Committee as a sub-committee of the Board for International Food and Agricultural Development (BIFAD) to mobilize the contributions of private citizens and nongovernmental groups concerned with both domestic and world hunger. The collaborative relationship established with USDA and the State Department through the IWG process continues as the Action Plan moves into implementation. The *Africa: Seeds of Hope* legislation calls on USDA and USAID to broaden their collaboration on international agricultural research, building on the base already established in the IWG.

- ***The international agricultural research system.*** The performance and effectiveness of the 16 international agricultural research centers (IARCs) which are governed by the donor-members of the Consultative Group on International Agricultural Research (CGIAR) was reviewed in 1998 by a blue-ribbon panel chaired by Maurice Strong. G/EGAD staff played key roles in discussions of the recommendations; our positions were reflected in the options adopted. Agency leadership in encouraging the IARCs to consider more explicitly the role of global climate change was also welcomed by the CGIAR. G/EGAD efforts to mobilize the IARCs in partnership with the U.S. land grant university system in support of the African Food Security Initiative also paid off. A highly-competitive process resulted in seven awards to research partnerships.
- ***A revitalized partnership with U.S. universities in the framework of Title XII.*** A signal accomplishment of the Center in 1998 was the submission of the first Title XII report to Congress since 1992. It was also well received by the U.S. land grant university community. During the process of report preparation, it became evident that an updating of the 1976 legislation would be desirable. G/EGAD consulted with land grant university personnel drafting new language to promote greater involvement of the private sector in the implementation of the Title XII objectives (reduction of famine and freedom from hunger) as well as the growing importance of sustainable natural resource management as an agricultural objective.
- ***Private agribusiness interests.*** Four activities carried out by G/EGAD staff in 1998 promise to revise the way that USAID does business with agribusiness. The *Sustainable Cocoa Initiative* resulted from the Center's engagement with the cocoa and chocolate industry both in the U.S. and abroad. Pilot activities in Peru, the Dominican Republic, and Indonesia demonstrated the potential of this agribusiness collaboration for simultaneously improving the incomes of small cocoa farmers and the supply of top-quality chocolate in the world markets. An *evaluation of the Collaborative Agribusiness Support Project (CASP)* confirmed a robust demand for agribusiness consulting services in developing countries, particularly to improve food safety and to develop more value-added agri-industries. Aggressively using this evaluation as the starting point for an expanded consultation with both U.S. university and industry stakeholders, a new design for an expanded activity was launched by G/EGAD staff. The outcome of an intensified, *yearlong engagement with the*

*International Fertilizer Development Center (IFDC)* and the fertilizer industry is the first step toward a broadened initiative on market development in support of improved soil fertility. Finally, G/EGAD staff provided leadership in building a Russia-based agribusiness development effort into a larger *Program to Revitalize Agriculture through Regional Investments (PRARI)* focussed more broadly on the former Soviet Union.

## **B. Field Support through Global Mechanisms**

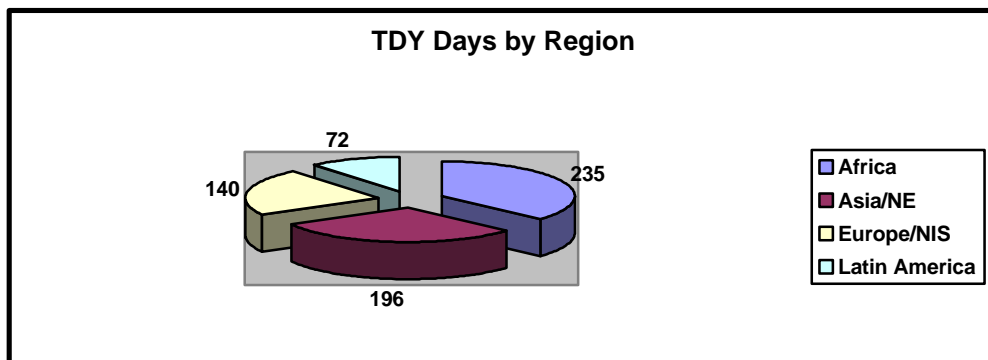
An agriculture and food security thread runs through the Agency's emphases on microenterprise, private sector development, crisis prevention and response, environment, and gender. The Center has developed a range of Cooperative Agreements and IQCs that explicitly link these issues together. In 1998, the total buy-in level to existing G/EGAD mechanisms was \$17 million. The Collaborative Research Support Programs (CRSPs) worked in 50 countries on issues of global importance. The \$2 million IARC-U.S. university collaboration already noted was developed in direct support of the African Food Security Initiative. Some highlights of 1998:

- The Agricultural Biotechnology Support Program (ABSP) implemented by Michigan State University responded to requests of USAID missions in Egypt, Indonesia, Kenya, and Morocco. ABSP organized workshops, training, and expert consultation on privatization, bio-safety, and intellectual property rights. Assistance to the Moroccan Ministry of Agriculture in development and implementation of plant variety protection (PVP) legislation resulted in new legislation being passed in 1998 and an information management system being installed to facilitate applications for PVP by both Moroccan and foreign breeders and seed companies.
- The Food Security II Project, also implemented by MSU, provided critical help in getting Rwandan policymakers back on track in a post-conflict environment. FS II also continued its in-depth relationship with colleagues in Mali and Mozambique, two of the five African Food Security Initiative focus countries.
- In 1998, Washington-based staff ensured that environmental safeguards were confirmed for the field-testing of rinderpest and heartwater vaccines in East Africa. We also worked with counterparts at the International Atomic Energy Agency (IAEA), the Organization of African Unity/International Bureau for Animal Resources (OAU/IBAR), World Bank, and other donors and private organizations to assure broader investment support to REDSO/ESA focussed on defining and analyzing how currently funded Agency livestock activities integrate into REDSO's strategy for agriculture, food security, and natural resource management.
- Technical support to field operations in Russia and the NIS included delivery of advice and direction, program development and management, project evaluation, research and analysis, and high level representation in international forums. Results in Russia were particularly noteworthy. The agribusiness promotion and policy reform program known as PRARI (Program to Revitalize Agriculture through Regional



Investment) focussed on ten of Russia's most innovative regions and led to the development of more than 30 American business venture proposals – although progress toward implementation has been seriously slowed by the economic collapse of August, 1998. Several weeks of technical support and guidance helped the Mission to evaluate the status of Russian agricultural reforms following the establishment of the new government and to plan its future agriculture programs; a technical review of the OECD's first-ever country study of Russian agriculture was completed; and a critical analysis of Russia's food situation for the Agency following the poor 1998 Russian grain crop was used in preparing the Agency response to the request for food aid. Technical support to USAID/Kiev with the evaluation of their largest agricultural activity, Agribusiness Partnerships II, led the Mission to significantly reorient the program.

- The newest member of the field support family is the RAISE (Raising Agricultural Incomes in a Sustainable Environment) IQC. It was developed jointly with the Environment Center to provide Missions expertise capable of dealing with issues of developing profitable and sustainable natural resource-based industries and community-based approaches to natural resource management. Early FY 99 use of the IQC is almost \$2 million. USAID/Jamaica selected RAISE to implement its highly innovative five-year, "Ridge to Reef" environmentally sound watershed-based economic growth strategy.
- In addition, the Office of Agriculture and Food Security provided a significant amount of staff TDY support to Missions. More than 543 days of direct-hire, RSSA, and AAAS Fellow support were spent in-country and an additional 174 days were provided from Washington. The Office manages the LACTECH RSSA that provides technical support to the Latin American Bureau as well. The impact of each of these efforts should be reported in Mission results. For example, G/EGAD/AFS personnel, working with USAID/Haiti, drafted and launched a \$13 million disaster recovery program and stimulated a taskforce of business leaders to support the innovative Haitian Environmental Foundation.



### C. Direct Development Impact

The overall U.S. contributions to the CGIAR and the core costs of the CRSPs are included in the G/EGAD budget. While the relative share of USAID funding in the total CGIAR budget has fallen sharply in the past six years—from about a third to less than 10 percent of the aggregate \$340 million or so annual budget, G/EGAD's active participation in various CGIAR governance and technical advisory mechanisms continues to be welcomed as the U.S. funding, unlike that of many other donors, is "unrestricted" and thus contributes flexibly to Centers' abilities to conduct long-term research. We associate ourselves, therefore, with the development impact of the CGIAR as a whole. Given that the core costs of the CRSPs account for 60 percent of their annual funding, we also attribute the impact of research results reported by the CRSPs to the G/EGAD resource inputs.

The principal task of agricultural research is to develop new technologies that will increase the productivity of the agricultural sector and to contribute to better and more sustainable use of natural resources. Preliminary data for 1998 suggest that our investments in agricultural research continue to contribute to positive outcomes for both consumers and producers in many developing countries.

***Overall production.*** Total food production in 1998 in the developing nations increased slightly (+1.8%) compared to 1997. This increase was almost entirely offset by population growth, however, so per capita production growth was negligible (+0.1%). The increase in total food production was, significantly, greatest in Africa (+2.7%), followed by Asia and Latin America (each +1.7%). The per capita figures, however, were almost identical -- reflecting regional variations in population growth. Variations were greater at the sub-regional and country level. Overall, food production increases were lowest in Sub-Saharan Africa (+1.3%). In Asia, they were greatest for China (+3.0%), whereas food production actually declined in South Asia (-0.1%). Part of that decline was due to the worst flooding of the century in Bangladesh, which reduced rice production by 10%.

***Increased productivity of crops.*** While the INTSORMIL CRSP teams have been working for many years to develop sorghum varieties resistant to the parasitic weed, striga, the year 1998 will stand out in the history books. Broad testing of promising resistant varieties in farmers' fields in Ethiopia confirmed the laboratory results. The excellent productivity achieved by the resistant varieties was quickly noted by Ethiopian farmers; seed-producing farmers found themselves trying to cope with demand for their "miracle seed". Farmers are reportedly selling these seeds at twice the price of seeds from other sorghum varieties. Overall, as the detailed performance tables document, coarse grain productivity in 1998 was above expected rates, but cereal and root crop yields were below target.

***Greater linkages with private sector businesses,*** ensuring wider diffusion of improved agricultural technologies. A survey completed in 1998 showed that about 75% of all corn seed sold in Latin America in 1997 by private companies (about 98% of the total sold)

were hybrids whose pedigrees contained CIMMYT-derived germplasm. In the case of wheat, a survey showed that more than 90% of all wheat varieties released in developing countries (not including China) from 1991 to 1997 contained CIMMYT germplasm. Training which the Agricultural Biotechnology Support Program (ABSP) provided to Kenya and Morocco over the past several years culminated in 1998 in the establishment of Plant Variety Protection offices, headed by former ABSP trainees, in both countries. In Kenya last year, over 250 applications were filed with this office for Plant Variety Protection permits, primarily for roses, assisting in the import of improved germplasm for the growing Kenyan floriculture industry. The Agricultural Biotechnology Support Program's work in Indonesia on biotechnology policy development and training culminated in early 1998 with the passage of new Indonesian Biosafety Regulations. To date, five applications from U.S. based multinational seed companies have been filed in Indonesia to field test genetically engineered cotton, corn and soybeans.

***Introduction of high-quality food products.*** In 1998 in Ghana, the Bean/Cowpea CRSP released a cornflake-like cowpea chip and a cowpea-fortified maize meal that can easily be made into a pleasant porridge. Both products provide important protein, vitamins, minerals and calories and have shown remarkable effectiveness in improving the condition of malnourished children. In Costa Rica, the Bean/Cowpea CRSP has developed an iron-fortified bean product with significantly increased digestibility for children and high acceptance. Effective, low-cost Bean/Cowpea CRSP storage have been extended throughout West Africa with the help of World Vision. Bean yields in Honduras have increased almost 20 percent, with the adoption of CRSP-developed disease-resistant varieties. Seed of these heat- and drought-tolerant varieties are making marginal, low-elevation regions more productive.

***More sustainable use of natural resources.*** As a result of Pond Dynamics/Aquaculture CRSP research, shrimp farmers in Honduras realized it would be to their advantage to encourage upstream farmers to adopt soil conservation practices such as those developed and promoted by the Soils Management CRSP. To accomplish this, the shrimp farmers association voluntarily provided funds to compensate upstream farmers for the cost of implementing soils conservation techniques. This has been a win-win situation since upstream farmers have benefited from reduced soil erosion while the shrimp producers have benefited from reduced siltation and chemical contamination of their production ponds. These results should influence shrimp farming policy throughout Central America.

<p><b><i>Special Support Objective 1: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries</i></b></p>
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Since 1996, G/EGAD has provided support services to the Agency on behalf of U.S. interests in the Middle East. Three separate programs are involved:

- The U.S.-Israel Cooperative Development Program (CDP) is implemented by MASHAV, the development cooperation unit of the Israeli Ministry of Foreign

Affairs, as part of the overall Israeli development assistance program. MASHAV uses its USAID funding (provided as a cash transfer) primarily to train developing country personnel in both Israel and their home countries in fields such as irrigated crop production, dairy management and a variety of health and rural development topics;

- The U.S.-Israel Cooperative Development Research Program (CDR) is a competitive research grants program for collaborative research activities that involve scientists from Israel working with their counterparts in the developing countries of the world on topics in agriculture, natural resource, health, and social sciences relevant to the needs of the developing countries. U.S. scientists may also participate in a CDR grant; and
- The Middle East Regional Cooperation Program (MERC) is a competitive research grants program specifically focussed on promoting the peace process through the collaboration of Arab and Israeli scientists on topics relevant to development in the Middle East region. U.S. scientists may also participate in a MERC grant.

**Progress toward this special objective is assessed as being on target.**

#### **A. Technical Leadership**

G/EGAD provides technical leadership in the review of CDR and MERC proposals, working with the National Academy of Sciences, the Department of State, and panels of *pro bono* scientific peer reviewers to assure that funding is directed to proposals which adhere to high standards of scientific investigation. The collaborative nature of the project organization is of paramount importance, however, in the MERC program, as the ESF funding provided by the Department of State for this program is premised on the peace process outcomes.

Technical oversight on the MASHAV Support Program (CDP) provided by G/EGAD is limited to a *post hoc* review of programs implemented by MASHAV.

#### **B. Field Support through Global Assistance Mechanisms**

Although work under the CDR program is conducted in developing countries, Missions are rarely involved in the projects. However, the research guidelines that are developed and published annually for CDR and MERC are used by G/EGAD to address, and respond to, development interests in both the ANE and ENI Bureaus. For example, G/EGAD has sought and obtained greater regional participation of the USAID/ANE and State/NEA on revising the MERC guidelines and serving on the MERC project selection committee this year. G/EGAD also continues its partnership with State/NEA and the Embassy in the implementation of CDR, and has leveraged this relationship to assist M/OP with several difficult MERC procurement actions that directly involved grantees in the region.

Both the CDR program and MASHAV, moreover, are recipients of buy-ins from the ENI Bureau to support activities in the Central Asia region and Georgia. At the invitation of G/EGAD, the ENI Bureau's Central Asia Mission and the U.S. Embassy in Tel Aviv will directly participate in the joint programming exercise in the upcoming CDP consultations with MASHAV.

Program activity is critically affected by tension in the Middle East, as it occasionally constrains collaboration between scientists from Israel and Arab countries. Presently, however, the delayed implementation of the Wye River Accords and the other setbacks on the formal Peace Process track are having less effect on the MERC Program than the delays in administrative approvals caused by changes of government in the region, and by the U.S. statutory prohibition against funding institutions within ministries of the Palestinian Authority itself. The number of potential linkages, especially in the Middle East, is, therefore, reduced in number and effectiveness. Furthermore, activities in the Central Asian Republics are dependent on donor restrictions to the former Soviet Union, political events affecting the acceptance of Israel in those historically Muslim countries, and institutional and administrative problems in the assisted countries.

### **C. Direct Development Impact**

Periodic progress reports are required for all three programs. In addition, G/EGAD evaluates projects or groups of projects for their impact, and we carry out a periodic consultative process on CDP with the Government of Israel. While these activities allow us to monitor progress under the three programs, it is also worthwhile to note that USAID's Center for Development Information and Evaluation (CDIE) published an evaluation of the MERC program in FY 1998. **It found that this program contributes to the Middle East peace process by building peaceful relationships in the region.**

The CDIE evaluation indicates the results of the type of research being funded under CDR and MERC are having an impact on the spread of appropriate technology in a wide variety of agricultural, biological and health areas. All three programs help transfer new techniques and technologies to developing countries and among the countries of the Middle East region.

Results of this cooperation have included improved agricultural production technologies for irrigated agriculture, advances in saline agriculture, improved water management technology for agriculture, improved biopesticides and their management, enhanced understanding of emerging diseases, and improved systems for natural resources and wildlife management.

<p><b><i>Strategic Objective 1: Improved access to financial and business development, particularly for the microenterprises of the poor.</i></b></p>
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It is well understood that the best way of achieving sustainable, broadly-based improvements in the economic well-being of the poor is through productive employment. It is also well understood that the bulk of employment creation in all countries arises from the entrepreneurial efforts of many micro and small businesses. The development

of economic systems that facilitate the creation of such employment involves many, mutually-reinforcing interventions. Properly developed macro policies and supportive national institutional and regulatory systems are essential, but commercial as well as non-profit financial intermediaries capable of providing credit and other financial and business services to small and microentrepreneurs on a commercial basis can play a significant role in the process. **Progress toward this SO is assessed as having exceeded expectations.**

#### **A. Shaping the Development Agenda: Technical Leadership**

G/EGAD provides leadership to the Agency – and to the donor community as a whole – in the area of microenterprise development. G/EGAD is also leading the Agency’s efforts to expand the use of credit for development assistance by building on the experience gained in the management of a micro and small business credit guarantee program. Two of the Center’s Offices (Microenterprise Development, or MD, and the Credit and Investment Staff, or CIS) are engaged.

In July 1997, USAID renewed the Microenterprise Initiative, committing itself to: obligate \$135 million for microenterprise activities agency-wide; continue mainstreaming operations to the field while maintaining a strong central office; and, increase activities in the Africa and ENI regions. The Office of Microenterprise Development in the Center (G/EGAD/MD) is that “strong central office.” It plays three key roles in implementation of the Initiative:

- Identifying and promoting “best practices” for microenterprise development efforts carried out by the Agency and its many nongovernmental (NGO) and commercial partners;
- Assessing the impact of microenterprise investments and reporting on the results (including providing personal briefings for the many Congressional interests in this field).
- Managing worldwide competitive grant programs that spur innovation and expansion of efforts and a technical assistance program that assures high-quality programs.

Through its implementation of the Micro and Small Enterprise Development (MSED) program, G/EGAD/CIS promotes lending to micro and small enterprises by commercial financial institutions using a loan portfolio guarantee mechanism. The risk-sharing element of the guarantees encourages banks to expand their small loan portfolios; a complementary training program provides the needed skills development for small-scale lending. Innovative mechanisms to provide guarantees for loans to NGO microfinance intermediaries have brought the MD and CIS programs into a closer partnership relationship. Further, the new credit models developed by MSED (Wholesale, Portable, and Investment Fund Guarantees) will form the basis for future DCA activities and will be available to Missions.

G/EGAD's leadership efforts within the Agency and with other donors and the non-governmental community are clearly having a significant and widespread impact.

- Following the lead of the U.S., a number of donors, both multilateral and bilateral are increasing their ***overall level of support*** to microenterprise development. The World Bank's Consultative Group to Assist the Poorest (CGAP), a 27-member donor group, which USAID was instrumental in establishing, is proving to be an excellent vehicle for donor coordination and has made obvious progress in the setting of *common* donor standards for microfinance investments. In 1998, G/EGAD staff played key leadership roles in CGAP, co-chairing the working groups as well as playing key roles in international fora, including the Donors' Committees on Small Enterprise Development and Financial Sector Reform, the annual International Conference on Microfinance in Frankfurt, and the governance conference of the Microfinance Network.
- Our own ***quality standards for the financial management of microfinance institutions*** are met with increasing frequency so it is possible to communicate these results through CGAP with some credibility. Microfinance institutions supported by USAID are: setting interest rates and fees to fully cover costs, controlling loan delinquency, improving management to cut operational costs and achieving full financial sustainability within seven years. At the end of FY1998, out of 61 micro finance intermediaries supported under the MIP, 22 had become operationally self-sustaining (up from 18 a year earlier). The percent of portfolio at risk (as measured by late payments) was 8% - well below the 10% target.

Four themes comprise the current ***"best practices" agenda***: commercialization of microfinance; micro-business development services; outreach (including market research on client preferences and new product development); and the role of microfinance in troubled situations, i.e., financial crisis, post-conflict and natural disaster recovery. In 1998, these themes were widely developed and applied under G/EGAD direction.

1. Workshops in Chile and Kenya on microfinance were enthusiastically attended by more than 48 commercial bankers from 32 institutions in 20 countries. Commercial banks and finance companies are facing increased competition as markets are liberalized. In their search for profitable market niches, they have noticed the high repayment rates by poor borrowers of micro loans and have become increasingly interested in this market.
2. A paper on developing a common performance framework for business development services for microenterprises presented at the donors' meeting in Brazil in early 1999 was seminal in advancing that theme for future collaboration. .
3. ***Communication*** with the wide range of constituents supportive of microenterprise development and microfinance continued apace. The Internet-based initiative ([www.mip.org](http://www.mip.org)) to disseminate microenterprise best practices is highly successful, receiving an average of over 100 hits a day. More than 25,000 publications have been downloaded over the past six months
4. We published a landmark piece on microfinance response to natural disasters in early 1998; it not only fueled a well-attended multidonor conference but

became the basis for an innovative program bridging relief to development in the wake of the Hurricane Mitch in Central America. By working with LAC Bureau colleagues, G/EGAD staff were able to design a short-term response that enabled USAID-supported microfinance institutions to weather the shock to their clientele and to respond proactively to the demand for new credit for self-employment and microenterprise. In coordination with the LAC Bureau and the Inter-American Development Bank, G/EGAD/MD staff went one step further: developing guidelines and a support program for a broader Microfinance Recovery Fund.

In the area of *impact measurement*, USAID has continued to provide leadership through the AIMS program. AIMS developed five evaluation and interview tools for practitioners; these are being field-tested and enthusiastically embraced by microfinance institution staffs as low-cost way to measure impact and to greatly expand their understanding of clients. Evidence that USAID's commitment to linking investment to impact is appreciated is the recent request from the World Bank's WDR 2000 editors for G/EGAD/MD to lead the effort to prepare a paper on the impact of microfinance on poverty.

## **B. Field Support Through Global Assistance Mechanisms**

G/EGAD programs both support Mission efforts and work directly with both formal financial institutions and with PVO and NGO organizations that are specialized in micro and small enterprise development. The tools we have available to us to support country-based efforts are:

- *grant funding* to organizations implementing microenterprise development (the competitive Implementation Grant Program which fully funds innovative efforts to “reach down” or “scale up” and the co-financing program, PRIME, which enables G/EGAD to joint venture with Missions in program implementation);
- *market-based credit enhancements* (e.g. loans and guarantees) extended through private financial institutions (especially appropriate for dealing with larger, although still small, enterprises);
- when dealing with particularly onerous market imperfections, *grants used in combination with credit*; and, in support of these capital inputs,
- *technical support, evaluation, and training* funding for both the individual businesses and the intermediate financial institutions on work related to the delivery and management of credit programs.

**Grants.** USAID's grant funding for microenterprise development programs in 1997 (the last year for which we have complete data) was the highest ever. Obligations were just over \$160 million -- compared to just over \$110 million in FY 96. Of this amount of grant funding, EGAD/MD-managed programs accounted for less than a third and Mission funds, the remainder. Worldwide, USAID microenterprise programs reached nearly 1.4 million households in 62 countries. A total of 481 institutions received USAID funding in 1997. This brings the total number of microenterprise development institutions with active USAID funding agreements to 613. The Implementation Grant Program (IGP) and PRIME Fund grants, two competitive grant mechanisms managed by EGAD/MD on



behalf of the Agency as a whole, result in increasing client services as they enable new MFIs to enter the field, more established MFIs to scale up their programs, and all are assisted to address critical sustainability issues. The growing number of borrowers reflects solid growth in the capacity of financial and non-financial organizations (both banks and non-banks) to serve these clients' financing needs on a sustainable basis.

***Market-based credit enhancements.*** In 1998, G/EGAD/CIS-supported commercial programs were initiated or expanded in Bolivia and Sri Lanka and the groundwork laid for a commercial loan guarantee program in the Russia Far East. The EGAD/CIS-managed MSSED program played a key role in the founding of the Latin America Challenge Investment Fund, which, in turn, was the catalyst for the involvement of many other donors

***Grants in combination with credit.*** Generally weak management structures still characterize many current and prospective microfinance institution (MFI) implementers, so the EGAD/MD managed Microserve and Best Practices programs developed institutional capacity by disseminating lessons learned and providing direct technical assistance and services to microfinance institutions and Mission staff in countries where microcredit programs were also being supported.

***Technical support, evaluation and training.*** Staff and contractor personnel were engaged in 14 field assessments of microenterprise service organizations. A total of 19 microenterprise best practices conferences and training events were held, exceeding the target of 10. In total, the number of Missions served through EGAD/MD staff and programs was 30, exceeding the target of 27. . In 1998, EGAD/CIS arranged for 15 banker training courses to be provided in 10 countries. EGAD/CIS staff spent 145 days on TDY in 25 countries.

### **C. Direct Development Impact**

For the Agency as a whole at the end of FY1997, a record 1.4 million poor clients had loans from USAID-supported microfinance institutions, up 47 percent from the end of 1996. The loans were valued at \$645 million, an increase of 113 percent from the previous year. \$130 million was made available by commercial banks for micro and small businesses as a result of EGAD/CIS guarantee facilities. This increased access to credit is expected to have generated a significant growth in enterprise jobs and profits, although this is something that is not yet captured in reporting. A third indicator of performance, the number of loans made that are less than \$300 ("poverty lending"), tells us that the poverty focus of microenterprise lending has been met: 67 percent of the loans disbursed were \$300 or less. A final indicator of impact for the microcredit program is gender. In FY 97, two-thirds of the MD microenterprise program borrowers were women, exceeding our target of 50 percent.

In FY 1997, the number of active borrowers under our direct IGP and PRIME programs reached 515,000, significantly exceeding our target of 400,000. Although the FY 98 figures on the total of Agencywide active loans are not available yet, the EGAD/MD

direct programs in 1998 have supported 887,000 microloans, exceeding our revised target of 650,000.

The emphasis on institutional sustainability has also led to an emphasis on microfinance – as opposed to simply microcredit. 2.1 million clients participated in savings programs managed by USAID-supported microfinance institutions in 1997. EGAD/ MD direct programs involved 738,000 savers (or 35% of the total). In 1998, the Office recorded 1.8 million savers as against our target of 750,000. All types of savings institutions are growing quickly with our support.

At the same time, EGAD/MD and EGAD/CIS programs are being successful in helping microfinance institutions shift their sources of funding from 100% grants to a mix of grants and market rate loans. The overall trend appears to be positive. As of mid-1998, cumulative commercial credit mobilized in developing countries through MSED and predecessor facilities for micro and small enterprise lending was \$280 million. A total of 18,607 loans have been made.

Since the implementation of the Credit Reform Act of 1992, 42 **commercial financial institutions** in 20 countries have participated in one or more of the EGAD/CIS MSED facilities. The total cost of these guarantee facilities to USAID was \$6.8 million. The number of loans guaranteed rose from 3,400 annually during 1993-1995, to 3,521 in 1996 and 2,645 in 1997<sup>1</sup>. Average loan size increased from \$6,800 in 1996, to \$15,600 in 1997, and \$24,000 in 1998. Quantitative and qualitative measures of program expansion focus on expansion of client bases and a move to borrowers with less collateral. First time borrowers were less than 40 percent of total borrowers in 1993, but have been above 60 percent since then. Collateral requirements averaged over 50 percent in 1993-94, but have been 30-40 percent since then.

### **Part III: RESOURCE REQUEST**

#### **Overview**

The Center's budget has trended strongly downward since FY 95. The drop of 49 percent in program funding over the last four years has reduced program flexibility and innovation; nearly all (85%) of the FY 99 OYB has had to be used to meet Congressional and Administration directives. In looking to FY 2001 and beyond, therefore, we have taken into consideration: the policy imperative of refocusing Agency efforts on agricultural development; the Agency commitment to implement the U.S. Action Plan for Food Security; the expected renewal of the Microenterprise Initiative; the requirements of the *Africa: Seeds of Hope* legislation; and the approval and establishment of an operational program under the Development Credit Authority.

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<sup>1</sup> Many of the MSED facilities, typically funded for a five year term, either expired or were in the terminal year of their agreement. Data shows a significant decrease in loans covered under USAID guarantees during this time.

The Center's activities are currently accomplished by: direct management of our OYB program and OE funds; management or oversight of program funds transferred to the Center from regional bureaus; utilization of special "credit" funds (PJ) which provide both program and OE resources; and the employment of USDH, RSSAs, IPAs, and AAAS Fellows as well as a limited number of on-site contractor staff and off-site support contracts.

Continued reduction in the Center's USDH staff ceilings (down 40 percent since FY 95) has limited our capacity to provide intellectual leadership as well as technical field support. To compensate for these USDH reductions, we are undertaking a detailed review of our strategic plan. Preliminary findings point to a management strategy which: reduces the number of management units (e.g., seeking ways to establish partnerships among similar activities); increases the use of the RSSA/IPA mechanism for technical leadership; and expands our AAAS Fellow contingent to add cutting-edge technical expertise in specific areas of initiative. This kind of staff supplementation is, of course, seriously limited by budget availability. However, it has proven essential to maintaining both technical leadership and field support response capacity (particularly in EGAD/MD and EGAD/AFS) as OE limitations are even more stringent and do not permit as much travel as would be useful.

The Center expects to complete its portfolio review and revision of its strategic plan by the end of FY99. This R4 bridges between the "old" Strategic Support/Special Objective Structure and the planned, "new" Strategic Objective structure. Following the Agency's guidelines regarding increasing program impact, reducing management burdens, and taking into account the constraints which a straightlined FY 2000- FY 2001 budget would impose, we summarize in Section A our core funding request by strategic objective, discussing both planned performance and resource allocations. In Section B, we note those programs which depend on financing external to the Center's budget request. And in Section C, we present a Budget Plus-Up which will enable the Center to play the technical leadership roles expected of it. As we highlighted in the introduction, if USAID is to remain a premier development agency, it cannot continue to underfund the Center for Economic Growth and Agricultural Development.

#### **A. Financial Plan: Core Funding Request by Objective**

The Center's financial plan for FY 2000 is 30 percent below the \$84 million included in the October, 1998, Management Contract (MC). A straightlined FY 2001 level of \$58.51 million permits activities in support of all Strategic Objectives to be carried out, but levels of funding for specific activities are lower than needed to meet externally-driven "directives" – to say nothing of enabling the Center to play fully its roles of technical leadership and field support.

## **Agency Objective 1.1: Critical Private Markets Expanded and Strengthened**

### ***Strategic Objective #3, "Appropriate and Functioning Economic Policies, Market Reforms and Institutions are Developed to Accelerate Economic Growth in Emerging Markets and Priority Countries".***

The FY 2001 Management Contract (MC level) of \$1.15 million contrasts with the projected FY 2000 availability of \$900,000, all of which will be implemented by one activity, SEGIR. SEGIR is designed as an "umbrella" activity which combines the efforts of seven previous projects. This consolidation minimizes management resource requirements and provides simplified access by missions to field support services. The MC level funding will be used for: providing technical leadership, supporting field missions through global assistance mechanisms, and achieving direct development impact in selected countries.

New areas of technical leadership will involve developing a model "e-commerce" program, an economic growth distance learning directory, and studies on country-competitiveness and corporate governance issues with the view of developing predictive models for improving performance. Also, research work will continue on income distribution and poverty reduction. Collaborative studies with the Departments of Treasury and Commerce on economic policy reform will begin.

### ***Strategic Objective #4, "Private Sector Business Linkages Support U.S. Technology Transfer in Support of Development Objectives"***

The principal mechanism for accomplishing this strategic objective is the Global Technology Network (GTN). The GTN enables trade and investment leads to be formulated in developing countries, transmitted via internet to the U.S.-based electronic matching system, where follow-up by G/EGAD staff and the state-level export promotion services results in (in the best of all worlds), the identification of small to medium sized American companies eager to engage in technology-transferring business deals with counterparts in developing countries.

USAID is directed by legislative language to work with and fund the International Executive Service Corps (IESC) as a partner – so efforts have been made with some success to increasingly engage IESC capabilities in the development and operations of the GTN. An Administration directive to provide core funding for Appropriate Technology International (ATI) or, as it is now known, Enterprise Works Worldwide (EWW), has also assured funding for that organization. While EWW's expertise fits poorly with the GTN approach, the Center has not, as yet, determined how EWW might be managed in a way which is more efficient and permits EWW to benefit from greater synergy with other Center or Agency programs.

For FY 2001, core funding for this Strategic Objective is proposed at a \$5.485 million level, a level too low to assure the desired "directive" levels of funding for IESC (\$3 million) and EWW (\$2.5 million) and still permit us to operate the GTN (with a contract

to ensure the functioning of the electronic system, high-quality trade lead development, the Kenan Institute-managed small business grant program, etc.). The FY 2001 MC request level, therefore, reduces the core EWW support to \$1.5 million, the same level included in the FY 2000 request. The FY 2000 level of funding programmed for IESC is reduced to \$2.085 million from the \$2.5 million level in FY 1999. The FY 2000 level is carried into FY 2001. It should be noted that this financing is expected to be used by IESC not as core financing to cover overhead costs incurred in the provision of services to missions but will, instead, focus on the achievement of the special objective in a number of innovative ways. Emphasis will be placed on supporting the GTN's development of business linkages and support centers, technology transfer, and the promotion of trade and joint venture transactions.

**Agency Objective 1.2: More Rapid and Enhanced Agricultural Development and Food Security Encouraged**

***Strategic Objective #2, "Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development"***

The \$46.825 million requested for FY 2000 (\$44.825 million in DA and \$2 million in Child Survival funds) will not permit the Agency to meet its commitment to provide stable unrestricted core funding to the Consultative Group for International Agricultural Research (CGIAR) nor does it provide adequate funding for the initiation of a planned new activity which will replace the current Collaborative Agribusiness Support Project (CASP). It is possible, with some internal reorganization of the Center's budget, to include a modest amount of funding for the CASP follow-on activity in the FY 2001 budget, but the needed funding for the CGIAR is included in our Plus-Up request in Section C.

It must be noted that within the \$44.825 million DA budget, fully 95 percent can be considered to be "directed" either by Congressional or Administration decisions. We are counting as "directives" the following: \$20.975 million to the CGIAR, \$18.05 million to the CRSPs (including BASIS), \$2.0 million to the IFDC, \$.25 million to the Postharvest CASP (or its land-grant university-led successor), \$1.0 million to the Agricultural Biotechnology Support Project, \$0.5 million to Food Security II, and \$150,000 in support for the Board for International Food and Development (BIFAD). The only non-directed activities are the agriculture and food policy project called APAP (\$250,000), core funding for the RAISE activity (\$150,000) and funding for RSSA, AAAS, and IPA staff. The FY 2001 request increases the funding for the successor to CASP to \$1.0 million.

The FY 2001 request for a sustained, \$2 million level of child survival funding will be invested, as it is in FY 99, in activities focussed on increasing the quality and quantity of childrens' and mothers' diets through food and agricultural technology research and interventions.

The critical resource issue is USAID's funding of the CGIAR system. The practice of assuring the \$25 million core contribution through *ad hoc* allocations of Agencywide carryover has come under increasing pressure in the budget allocation process. There is no chance that voluntary contributions from the regional bureaus, except for a traditional \$2 million or so from the Africa Bureau, will be forthcoming. Including the core \$25 million in the G/EGAD budget would increase budget predictability and achieving expected impacts on global food security.

***Special Objective #1: Increased Understanding and Collaboration Among Middle Eastern Countries, and Utilization of US and Israeli Technical Expertise by Developing Countries.***

The three activities associated with this Special Objective have been funded and are managed by G/EGAD as special Agency initiatives. Given that, in general, they involve a substantial amount of funding for scientific collaboration, agriculture, and rural development, we continue to group them with our Strategic Objective #2 in supporting the achievement of the Agency's agriculture and food security goal.

Core funding for the Cooperative Development Program (CDP) or "MASHAV program" comes from the G/EGAD DA budget and is requested at the \$2 million level for FY 2001. In some fiscal years in the 1990s, the ENI Bureau has added funds for activities conducted in collaboration with institutions in the Central Asian Republics; no regional request is included in the G Budget, however. While the CDP level represents a \$1 million decline in the FY 2000 budget; negotiations with the Department of State and the Government of Israel on this level are still ongoing. The Cooperative Development Research (CDR) program is charged to the Center's DA budget in FY 2001 as it has been since FY 96 at the \$1.5 million level. This does not include potential add-ons provided by the ENI Bureau for the Central Asian Republic program. ESF funding for the Middle East Research Cooperation (MERC) program is additive to the Center budget and depends entirely on the programming process within the Department of State. For FY 2001, it is expected that the Dept of State will request \$10 million in ESF. Costs for management of this Special Objective (one USDA RSSA, a AAAS Fellow, and an agreement with the National Academy of Science for support services) are covered by the program request levels.

**Agency Objective 1.3: Access to Economic Opportunity for the Rural and Urban Poor Expanded and Made More Equitable**

***Strategic Objective #1, "Improved Access to Financial and Business Development Services, Particularly for the Microenterprises of the Poor"***

As noted in our Resource Review, the Center has increasingly viewed the activities of both its Microenterprise Development Office and its Credit and Investment Staff as contributing to this single objective. We expect that the Microenterprise Development Office will continue to receive approximately \$25 million in contributions from all

regional bureaus to facilitate work both in each region as well as for the Microenterprise Initiative as a whole. The proposed G/EGAD DA budget is, therefore, zero in FY 2001 just as it is in FY 2000. We have budgeted \$800,000 in G/EGAD DA for the non-credit costs associated with the Micro and Small Enterprise Development (MSED) program.

We are aware that our partners in the Microenterprise Coalition are concerned that USAID is insufficiently committed to the central management and oversight of the microenterprise portfolio and to the quality improvement role which EGAD/MD plays. This concern results from the fact that the Global Bureau budget proposal has been zero since FY 96. However, the on-budget approach seems unrealistic and the alternative, regional bureau "taxation," to fund the MD-managed Microenterprise Innovation Project (MIP) seems workable. EGAD/MD and regional bureau collaboration has been relatively good to date, although all regional bureaus need to be apprised of their responsibilities to support the global as well as regional efforts in this sector to maintain this approach. We have planned OE and personnel levels adequate to support an anticipated \$25 million level in FY 2001 for technical leadership, donor coordination, and MIP activities managed by this Center.

In addition to these DA/FSA/SEED/ESF costs for G/EGAD/MD, \$1.5 million is requested to cover credit subsidy costs for the MSED activity in the FY 2000 and FY 20001 straightline budgets. Training costs are contained within the core DA budget request. A special allocation of OE is also requested for management of this credit activity. This level of credit authority is expected to leverage \$33 million in available financing for micro and small businesses in several countries.

## **B. Financial Plan: External Funding & Agency Initiatives**

The EGAD Center manages several activities and special programs which are not included in our Center's OYB funding request, but for which we are the responsible technical office, serving as the management entity. Funding may come from a special Agency source, or from multiple sources within the Agency, coordinated through PPC. Anticipated levels are:

- Strategic Objective #1. As noted above, we anticipate funding at \$25 million for EGAD/MD core Microenterprise Development Initiative. This is an Agency initiative, directly linked to Strategic programs to be derived from regional bureau "taxation".
- Special Objective #1. Middle East Support Programs, identified as Special Objective #4, with the following ESF funding levels in FY 2001: MERC funded at \$10 million.
- Strategic Objective # 1. Development Credit Authority will be a new Agency initiative which serves as a credit subsidy to fund credit transactions, linked to SO#1, planned to begin implementation in FY99/00. Transfer authority of \$15 million is requested for FY 2000.

- Strategic Objective #2. Dairy Directive. This is a Congressional initiative for which M/B retains budget authority. We anticipate historical levels of \$3.5 million to be maintained in FY 2000 and FY 2001, with at least one-half of one USDH staff person tasked with management.

*In addition to these funds, buy-in authorities for several activities for which EGAD staff serve as the Contractor's Technical Representative, will raise the level of funding actually managed for other Agency operating units.*

### **C. New Initiatives for FY 2001**

Staightrlining the FY 2000 budget into FY 2001 implies that there will be no budgetary room to address priorities which the Agency leadership has already endorsed (increasing attention to agriculture and food security) or to undertake activities which have emerged as important to the Center's ability to play an effective role of technical leadership. The FY 2001 request budget, therefore, includes a total "Plus-Up" request of \$31.025 million. This includes \$27 million in funding for three new initiatives as well as \$4.025 million in additional funding in the CGIAR budget (to permit the Agency to maintain the \$25 million core financing level).

The three new initiatives will facilitate enhanced performance of the Center in achieving three of the four strategic objectives. Funding indicated would be added to the G/EGAD budget at the proposed level only in FY 2001. Increments for FY 02 and outyears would be related to actual utilization of the mechanisms and the level of Mission buy-in.

#### **Strategic Objective # 3 Plus – Up: Issues in the Global Marketplace (\$2 million)**

This program would have several components:

- Competitively let Cooperative Agreement (leader/associate type) to provide mechanism for analyses of policy and implementation issues associated with developing countries' participation in a competitive global marketplace. Initial G/EGAD funding of \$450,000. Open architecture of CA will facilitate Mission participation.
- Funding for agricultural marketing CA competitively-let in FY 99 to focus on emerging issues associated with the globalization of agricultural trade. Incremental EGAD funding of \$300,000.
- Selective uses of the SEGIR mechanisms for analysis and implementation of pilots of tools that would improve developing country competitiveness. \$750,000.
- Two-year funding for two IPAs or MBA Fellows specialized in trade and competitiveness issues. \$500,000

#### **Strategic Objective # 2 Plus-Up: Food Security in the Millennium (\$23 million)**

USAID proposed a \$172.5 million program to address Food Security in the Millennium (FSM) in FY 2000. It was not included in the Administration's proposal. For FY 2001,



G/EGAD again requests \$23 million for an effort to provide additional stimulus to the U.S. efforts to contribute to achievement of the World Food Summit Target. Specifically, G/EGAD proposes to mobilize international agricultural research centers, U.S. universities, nongovernmental organizations (NGOs) and private industry in (a) applying science to increase production of crops consumed by the poor, (b) accelerating transfer of the technology to producers; and (c) mapping and monitoring of hunger and food insecurity.

**Component 1: Agricultural Technology Development (\$12 million)**

- A new crop and livestock genomics program linking USDA, the National Science Foundation (NSF), U.S. Universities, and the private sector biotechnology industry with IARCs and National Agricultural Research systems (NARs). \$5 million
- A regionally- and food security-focussed agricultural research program \$4 million
- Enabling the IARCs to engage with the commercial private sector \$3 million

**Component 2: Agricultural Technology Transfer (\$7.5 million)**

- A program targeting income- and asset-enhancement for women \$3.65 million
- Enhancing the Natural Resource Assets of Farmers \$2 million
- Targeted Technology Transfer to Women \$1.85 million

**Component 3: Measuring and Monitoring Food Insecurity and (\$3.5 million)**

- Working with international partners to develop reliable and credible public databases on food insecurity \$2 million
- Use of information for decisionmaking \$1.5 million

**Strategic Objective 1 Plus-Up: Sustainable Financing for Small Producers (\$2 million)**

G/EGAD's current mechanisms for financing of micro- and small entrepreneurs have worked well for short-term and largely non-agricultural lending. With the impetus of the *Africa: Seeds of Hope* legislation, which mandates OPIC to engage in lending which reaches small farmers and rural entrepreneurs in Africa, and the possibilities associated with the use of Development Credit Authority, as well as the experience with developing cooperative agricultural credit facilities, G/EGAD proposes to re-examine the issue of agricultural credit with a view to developing an expanded flow of sustainable financing for small producers. An estimated \$2 million per year for three years (starting in FY 2001) is anticipated to be needed to support the analysis, field research, networking, and conferencing associated with this program in support of SO #1 increasing access to economic opportunities for the rural poor.

**C. OE and Staffing Requirements**

The Operating Expense level for FY2001 of \$234,000, will be held at the same level as FY00, and used for Center travel. Within this level is a \$25,000 set-aside under SO#2 to provide travel support for the IFAD Executive Directorate. Direct-hire travel to provide

field support is the single most critical element for the Center to succeed in fulfilling its role as a "Center of Excellence." Providing leadership on the implementation of the Agency's economic growth and agricultural development goal requires that we get our staff out of Washington --to participate in the development and refinement of mission strategic plans, results packages, and new initiatives. Some of the travel costs associated with these services can often be covered by Missions themselves, but Mission funding is often insufficient to cover donor coordination, conference attendance, independent assessments, outreach, training and other professional activities. We must provide technical expertise where it is needed and will have the greatest impact for the Agency.

Administrative expenses required for the Micro and Small Enterprise Development (MSED) activity, approximately \$1.6 million per year for salaries, rent, travel and administrative costs, and support for a new Credit Advisor required by OMB for DCA monitoring, are not included. There is a special, and separate, MSED Administrative allocation by the Agency which we expect will be sustained.

In addition, there are no resources programmed to support the Center's sectoral or in-service training needs. There have been formal requests from the Agency's economists and agriculture officers to support Agency-wide workshops for these backstops. Several technical officers have also requested upgrading or "currency" training to update their technical skills. We have been successful in negotiating with M/PM for some training support funds. However, present Agency policies do not permit a full response to the uniqueness of certain technical training needs, and therefore we remain unable to fulfill the needs perceived by our technical staff.

The EGAD Center has an approved "Bodies on Board" level of 48 for end-FY 2001, one below our end-FY 99 level. The Center remains very concerned that this level of USDH staffing adversely affects our technical capacity and capability. With the MC or Plus-Up request levels of program funds, however, we are confident that we can recruit top-level expertise in both economic growth and agricultural development areas.

## **ANNEX A**

### **PERFORMANCE DATA TABLES**

- 1. SO3: Appropriate and Functioning Economic Policies, Market Reforms, and Institutions are Developed to Accelerate Economic Growth In Emerging Markets**
- 2. SO4: Private Sector Business Linkages Support U.S. Technology Transfer In Support of Development Objectives**
- 3. SO2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development**
- 4. SpO1: Increased Science and Technology Cooperation Among Middle Eastern & Developing Countries and Utilization of US and Israeli Technical Expertise by Developing Countries**
- 5. SO1: Improved Access to Financial and Business Development Services, Particularly to the Microenterprises of the Poor**

**ANNEX A1. SO3: Appropriate and Functioning Economic Policies, Market Reforms, and Institutions are Developed to Accelerate Economic Growth In Emerging Markets**

<b>APPROVED:</b>				<b>COUNTRY/ORGANIZATION: G/EGAD/EM</b>			
<b>RESULT NAME:</b>				<b>TECHNICAL LEADERSHIP</b>			
<b>INDICATOR:</b>				<b>3.1 NEW TOOLS INTRODUCED AND USED BY THE AGENCY</b>			
<b>UNIT OF MEASURE:</b> Number of development tools created and adopted by users.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>				
	<b>1998</b>	<b>2</b>	<b>3</b>				
<b>SOURCE:</b> Office of Emerging Markets data base.	<b>1999</b>	<b>3</b>	<b>4</b>				
	<b>2000</b>	<b>3</b>	<b>4</b>				
	<b>2001</b>	<b>3</b>	<b>4</b>				
<b>INDICATOR/DESCRIPTION:</b> A model new methodology to be applied to analyze or reform a specified policy regimen.							
<b>COMMENTS:</b> Introduced this year were: Publication of the Development Web Model; Multi-country use of the Investors Roadmap; Beta-testing of the Competitive and Industry Cluster Policy model and the E-based bankers risk management training.  Work was begun on E-commerce model law; WTO accession training module; Web-based technical assistance and the Country Competitiveness model.							

<b>OBJECTIVE: Appropriate and Functioning Economic Policies, Market Reforms, and Institutions are Developed to Accelerate Economic Growth In Emerging Markets</b>			
<b>APPROVED: DD/MM/YYYY      COUNTRY/ORGANIZATION: G/EGAD/EM</b>			
<b>RESULT NAME:</b> <b>FIELD SUPPORT</b>			
<b>INDICATOR:</b> Mission usage of direct hire or contracted assistance from the Office			
<b>UNIT OF MEASURE:</b> Number of staff TDYs and participation on virtual teams, and number of buy-ins to activities.	<b>YEAR</b>  1998	<b>PLANNED</b>  <b>TDYs</b> 40 person weeks  <b>BUY-INS</b>  100 for \$50 million	<b>ACTUAL</b>  43 person weeks  124 for \$60 million
<b>SOURCE:</b> EM DATA BASE			
<b>INDICATOR/DESCRIPTION:</b> Technical support that promoted stronger technical design and implementation or technical support that delivers assistance in a more efficient manner.			
<b>COMMENTS:</b> TDY time continues to increase, year by year. The new SEGIR contracting mechanisms are in great demand and other Global and other Bureaus are replicating them.			

<b>OBJECTIVE: Appropriate and Functioning Economic Policies, Market Reforms, and Institutions are Developed to Accelerate Economic Growth In Emerging Markets</b> <b>APPROVED: DD/MM/YYYY      COUNTRY/ORGANIZATION: G/EGAD/EM</b>			
<b>RESULT NAME:</b> <b>DIRECT DEVELOPMENT IMPACT</b>			
<b>INDICATOR:</b> <b>DEVELOPMENT IMPACT AS A RESULT OF USING AN EM TECHNICAL TOOL</b>			
<b>UNIT OF MEASURE:</b> <b>ADOPTION OR IMPLEMENTATION OF POLICY RECOMMENDATION STEMMING FROM DIRECT INTERVENTION BY EGAD/EM OR BY A MISSION USING AN EM CREATED TECHNICAL TOOL</b>	<b>YEAR</b> <b>1998</b>	<b>PLANNED</b> <b>2</b>	<b>ACTUAL</b> <b>2</b>
<b>SOURCE: MISSION REPORTS</b>			
<b>INDICATOR/DESCRIPTION:</b> <b>NUMBERS/TYPES OF POLICIES CHANGED. NUMBERS/TYPES OF IMPLEMENTATION ACTIVITIES. MEASURABLE IMPACT OF POLICY/IMPLEMENTATION ACTIONS.</b>			
<b>COMMENTS:</b> The Investors Roadmap was implemented in 7 countries. Using the roadmap Tanzania reduced processing time for permits, Namibia streamlined customs, mines, immigration and the Windhoek city commission. On average processing time for transactions was reduced by 20 percent. In addition, transparency in the process was increased, but a quantitative measurement of the amount has not taken place. The Competitiveness and Industry Structure Model was applied in Lebanon, Sri Lanka and Uganda. It is projected that one-third of the 90 participating businesses increased global competitiveness by undertaking cluster cooperation, forward integration and production innovations.			

**ANNEX A2: SO4: Private Sector Business Linkages Support U.S. Technology Transfer  
In Support of Development Objectives**

<b>RESULT NAME:</b> Actual transfer of U.S. environment, energy, health, Agribusiness and information technology.			
<b>INDICATOR:</b> Completed Transactions			
<b>UNIT OF MEASURE:</b> Dollar Volume	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b>  <b>GTN Trade Lead Tracking System</b>	FY 1998	\$50,000,000	\$100,000,000
<b>INDICATOR DESCRIPTION:</b>  Completed business transactions: private sector exchange of a service or product	FY 1999	\$75,000,000	
<b>COMMENTS:</b>  FY-1998 completed transactions value was \$100 million, however, GTN has lost trade lead sources and reduced domestic staff in FY-1999.	FY 2000	\$80,000,000	
	FY 2001	\$85,000,000	

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1b:** Increased food production by region/country.

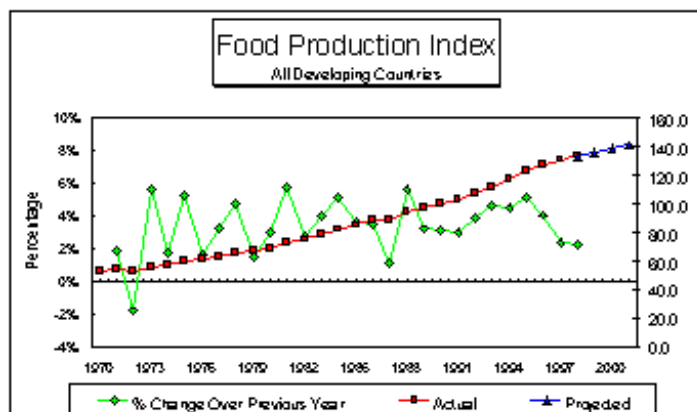
**UNIT OF MEASURE:** Food production index.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Index of food production: All Developing Countries.

**COMMENTS:**

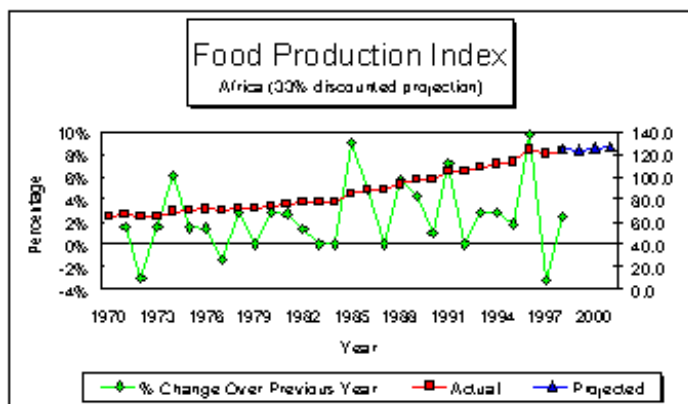
1. *The index is based on price-weighted quantities of production.*
2. *The baseline index represents a three-year average for the 1989-91 period.*
3. The 1998 estimate is a preliminary estimate.
4. *Historical data for the 1970-98 period are used to indicate trends.*
5. *Projections for 1999-2001 represent an increase of 2.7% over the average of the previous two years.*



YEAR	PLANNED	ACTUAL
1989-91 (B)		100
1994		117
1995		123
1996		128
1997	128.9	131
1998	133.0	134
1999	136.1	
2000	138.7	
2001 (T)	141.1	



SSO2: Improved food availability, economic growth and conservation of natural resources through agricultural development.			
APPROVED: 6/97 COUNTRY/ORGANIZATION: G/EGAD/AFS			
INTERMEDIATE RESULT 2.1: Sustainable technologies and policies that enhance food availability developed and adopted.			
INDICATOR 2.1b: Increased food production by region/country.			
UNIT OF MEASURE: Food production index.	YEAR	PLANNED	ACTUAL
SOURCE: FAO	1989-91 (B)		100
INDICATOR/DESCRIPTION: Index of food production: Africa.	1994		111
COMMENTS: 1. The index is based on price-weighted quantities of production. 2. The baseline index represents a three-year average for the 1989-91 period. 3. The 1998 estimate is a preliminary estimate. 4. Historical data for the 1970-98 period are used to indicate trends. 5. Projections for 1999-2001 represent an increase of 1.9% over the average of the previous two years. Production is particularly volatile.	1995		113
	1996		124
	1997	120.8	120
	1998	124.3	123
	1999	123.8	
	2000	125.7	
	2001 (T)	127.1	

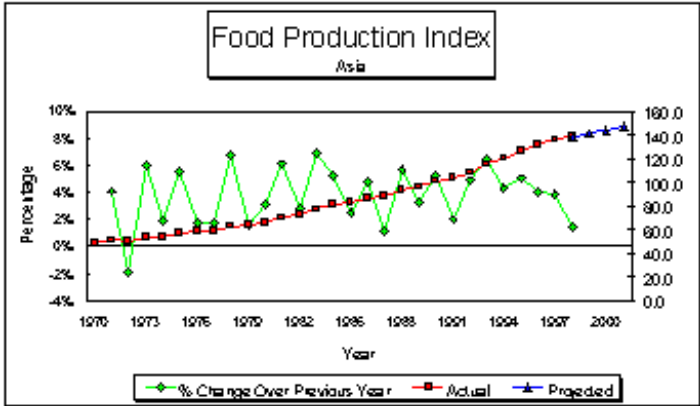


**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1b:** Increased food production by region/country.

UNIT OF MEASURE: Food production index.		YEAR	PLANNED	ACTUAL
SOURCE: FAO		1989-91 (B)		100
INDICATOR/DESCRIPTION: Index of food production: Asia.		1994		120
COMMENTS:		1995		126
1. The index is based on price-weighted quantities of production.		1996		131
2. The baseline index represents a three-year average for the 1989-91 period.		1997	132.4	136
3. The 1998 estimate is a preliminary estimate.		1998	137.5	138
4. Historical data for the 1970-98 period are used to indicate trends.		1999	141.1	
5. Projections for 1999-2001 represent an increase of 3.0% over the average of the previous two years.		2000	143.7	
 <p>The chart, titled 'Food Production Index Asia', displays three data series from 1970 to 2002. The left Y-axis represents the '% Change Over Previous Year' ranging from -4% to 10%. The right Y-axis represents the 'Actual' and 'Projected' index values ranging from 0.0 to 160.0. The X-axis represents the 'Year' from 1970 to 2002. The green line with diamond markers shows the annual percentage change, which fluctuates significantly between -2% and 8%. The red line with square markers shows the actual index, which rises steadily from approximately 60 in 1970 to 140 in 1998. The blue line with triangle markers shows the projected index, which continues the upward trend from 140 in 1998 to approximately 150 in 2002.</p>		2001 (T)	146.7	

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1b:** Increased food production by region/country.

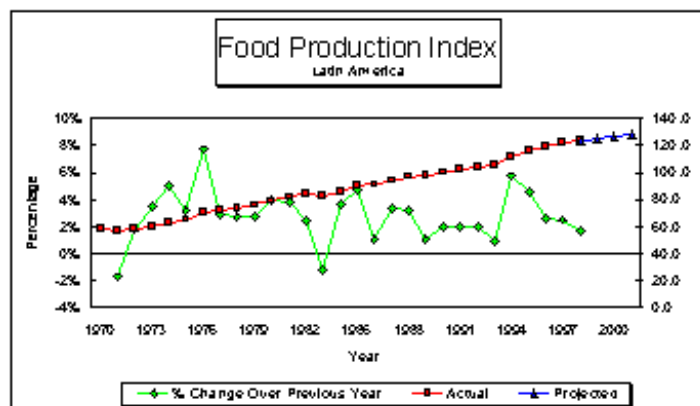
**UNIT OF MEASURE:** Food production index.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Index of food production: Latin America and the Caribbean.

**COMMENTS:**

1. *The index is based on price-weighted quantities of production.*
2. *The baseline index represents a three-year average for the 1989-91 period.*
3. The 1998 estimate is a preliminary estimate.
4. *Historical data for the 1970-98 period are used to indicate trends.*
5. *Projections for 1999-2001 represent an increase of 1.9% over the average of the previous two years.*



YEAR	PLANNED	ACTUAL
1989-91 (B)		100
1994		111
1995		116
1996		119
1997	119.7	122
1998	122.8	124
1999	125.3	
2000	127.0	
2001 (T)	128.6	

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97      **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**RESULT NAME:**

**INDICATOR:** Increases in per-capita food production at a global/regional level.

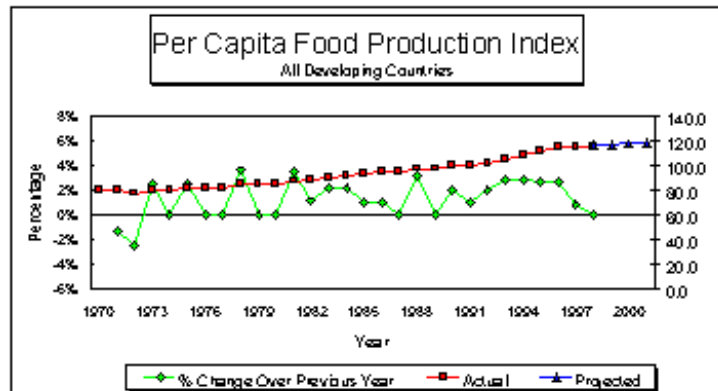
**UNIT OF MEASURE:** Per-capita food production index.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Index of per capita food production: all developing countries.

**COMMENTS:**

1. *The index is based on price-weighted quantities of production.*
2. *The baseline index represents a three-year average for the 1989-91 period.*
3. The 1998 estimate is a preliminary estimate.
4. *Historical data for the 1970-98 period are used to indicate trends.*
5. *Projections for 1999-2001 represent an increase of 1.3% over the average of the previous two years.*



YEAR	PLANNED	ACTUAL
1989-91 (B)		100
1994		109
1995		112
1996		115
1997	115	116
1998	117	116
1999	117.5	
2000	118.3	
2001	119.4	

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97      **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**RESULT NAME:**

**INDICATOR:** Increases in per-capita food production at a global/regional level.

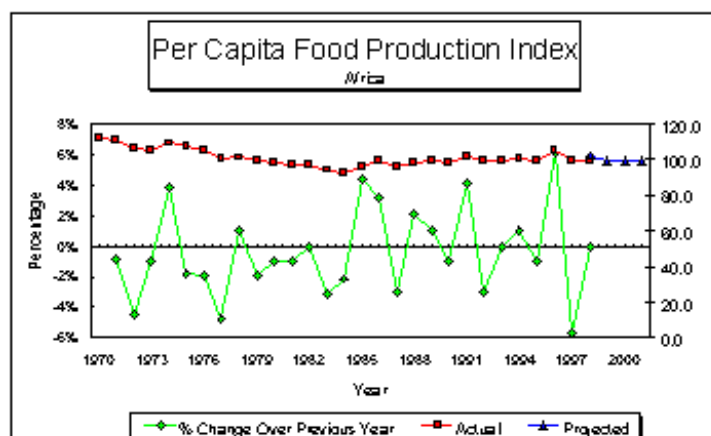
**UNIT OF MEASURE:** Per-capita food production index.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Index of per capita food production: Africa.

**COMMENTS:**

1. *The index is based on price-weighted quantities of production.*
2. *The baseline index represents a three-year average for the 1989-91 period.*
3. The 1998 estimate is a preliminary estimate.
4. *Historical data for the 1970-98 period are used to indicate trends.*
5. *The index has been below 100 in Africa since 1981 and has decreased over a 27-year period. The planned indicators represent a decrease of 0.1% from the average of the previous two years.*



YEAR	PLANNED	ACTUAL
1989-91 (B)		100
1994		100
1995		99
1996		105
1997	102.1	99
1998	102.1	99
1999	99.1	
2000	99.1	
2001 (T)	99.2	

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97      **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**RESULT NAME:**

**INDICATOR:** Increases in per-capita food production at a global/regional level.

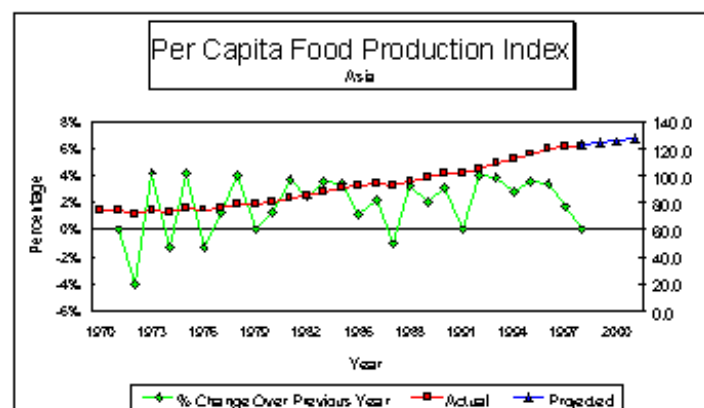
**UNIT OF MEASURE:** Per-capita food production index.

**SOURCE:** FAO

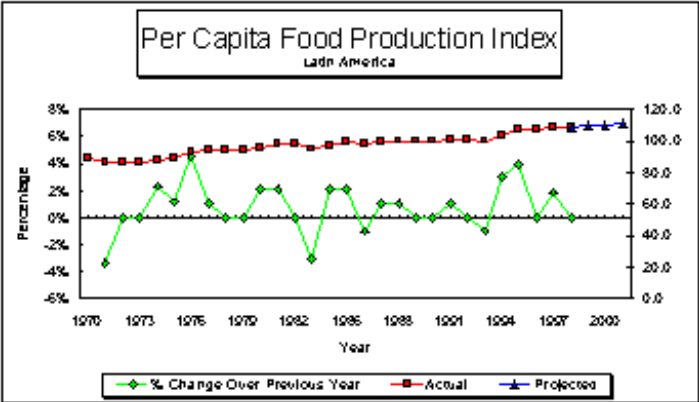
**INDICATOR/DESCRIPTION:** Index of per capita food production: Asia.

**COMMENTS:**

1. *The index is based on price-weighted quantities of production.*
2. *The baseline index represents a three-year average for the 1989-91 period.*
3. The 1998 estimate is a preliminary estimate.
4. *Historical data for the 1970-98 period are used to indicate trends.*
5. *Projections for 1999-2001 represent an increase of 1.8% over the average of the previous two years.*



YEAR	PLANNED	ACTUAL
1989-91 (B)		100
1994		112
1995		116
1996		120
1997	120.1	122
1998	123.2	122
1999	124.2	
2000	125.3	
2001 (T)	127.0	

SSO2: Improved food availability, economic growth and conservation of natural resources through agricultural development.			
APPROVED: 6/97      COUNTRY/ORGANIZATION: G/EGAD/AFS			
RESULT NAME:			
INDICATOR: Increases in per-capita food production at a global/regional level.			
UNIT OF MEASURE: Per-capita food production index.		YEAR	PLANNED      ACTUAL
SOURCE: FAO		1989-91 (B)	100
INDICATOR/DESCRIPTION: Index of per capita food production: Latin America.		1994	103
COMMENTS:		1995	107
1. The index is based on price-weighted quantities of production.		1996	107
2. The baseline index represents a three-year average for the 1989-91 period.		1997	107.7
3. The 1998 estimate is a preliminary estimate.		1998	108.8
4. Historical data for the 1970-98 period are used to indicate trends.		1999	109.8
5. Projections for 1999-2001 represent an increase of 0.7% over the average of the previous two years.		2000	110.1
		2001 (T)	110.7

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97      **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1a:** Increased yields and/or reduced production costs for targeted crops/commodities in selected countries.

**UNIT OF MEASURE:** Kilograms per hectare.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Average combined yield of cereals (primarily wheat and rice with small quantities of other cereal grains), all developing countries.

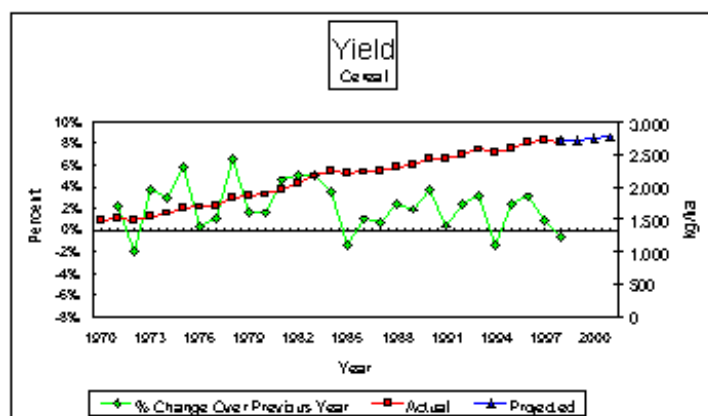
**COMMENTS:**

**1. The baseline index represents a three-year average for the 1989-91 period.**

**2. The 1998 estimate is a preliminary estimate.**

**3. Historical data for the 1970-98 period are used to indicate trends.**

**4. Projections for 1999-2001 represent an increase of 1.2% over the average of the previous two years.**



YEAR	PLANNED	ACTUAL
1989-91 (B)		2,399
1994		2,537
1995		2,599
1996		2,679
1997	2,671	2,701
1998	2,722	2,682
1999	2,724	
2000	2,736	
2001 (T)	2,762	



**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1a:** Increased yields and/or reduced production costs for targeted crops/commodities in selected countries.

**UNIT OF MEASURE:** Kilograms per hectare.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Average combined yield of coarse grains (corn, barley, ry, oats, millet and sorghum), all developing countries.

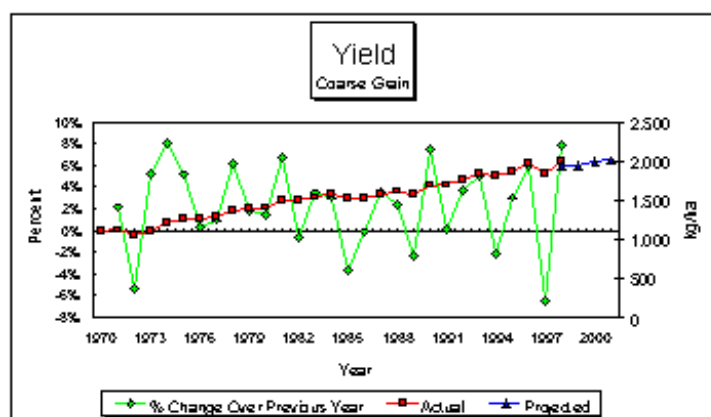
**COMMENTS:**

**1. The baseline index represents a three-year average for the 1989-91 period.**

**2. The 1998 estimate is a preliminary estimate.**

**3. Historical data for the 1970-98 period are used to indicate trends.**

**4. Projections for 1999-2001 represent an increase of 1.7% over the average of the previous two years.**



**YEAR** **PLANNED** **ACTUAL**

1989-91 (B) 1,654

1994 1,804

1995 1,859

1996 1,969

1997 1,947 1,843

1998 1,938 1,987

1999 1,948

2000 2,001

2001 (T) 2,008

**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1a:** Increased yields and/or reduced production costs for targeted crops/commodities in selected countries.

**UNIT OF MEASURE:** Kilograms per hectare.

**SOURCE:** FAO

**INDICATOR/DESCRIPTION:** Average combined yield of pulses (dry beans, bread beans, dry peas, cowpeas, chickpeas and lentils), all developing countries.

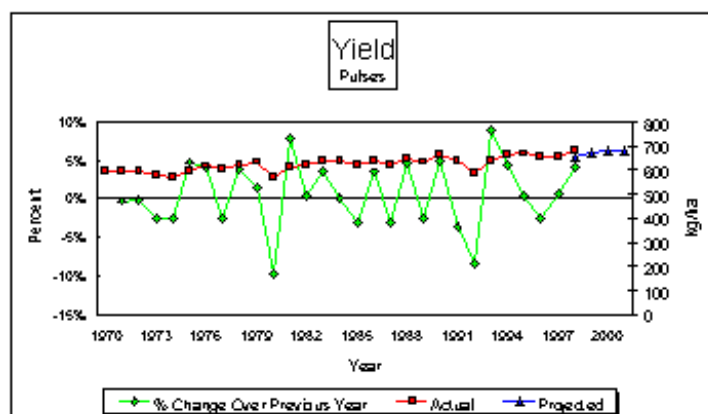
**COMMENTS:**

**1. The baseline index represents a three-year average for the 1989-91 period.**

**2. The 1998 estimate is a preliminary estimate.**

**3. Historical data for the 1970-98 period are used to indicate trends.**

**4. Projections for 1999-2001 represent an increase of 0.5% over the average of the previous two years.**



YEAR	PLANNED	ACTUAL
1989-91 (B)		645
1994		665
1995		668
1996		652
1997	663	657
1998	658	683
1999	673	
2000	682	
2001 (T)	681	

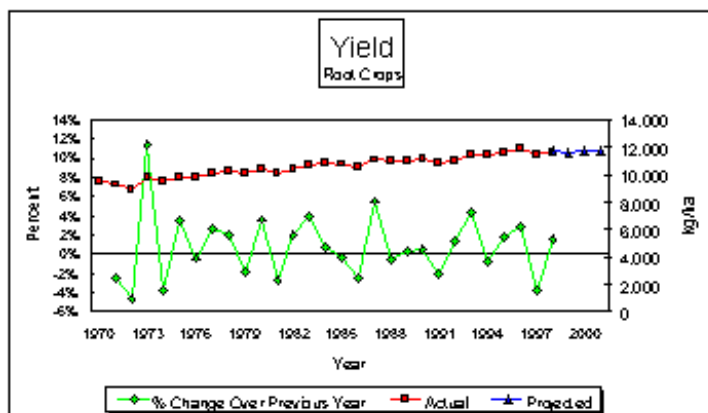
**SSO2:** Improved food availability, economic growth and conservation of natural resources through agricultural development.

**APPROVED:** 6/97 **COUNTRY/ORGANIZATION:** G/EGAD/AFS

**INTERMEDIATE RESULT 2.1:** Sustainable technologies and policies that enhance food availability developed and adopted.

**INDICATOR 2.1a:** Increased yields and/or reduced production costs for targeted crops/commodities in selected countries.

UNIT OF MEASURE: Kilograms per hectare.		YEAR	PLANNED	ACTUAL
SOURCE: FAO		1989-91 (B)		10,998
INDICATOR/DESCRIPTION: Average combined yield of root crops (potatoes, sweet potatoes, cassava, yams and taro), all developing countries.		1994		11,392
COMMENTS:		1995		11,603
1. The baseline index represents a three-year average for the 1989-91 period.		1996		11,940
2. The 1998 estimate is a preliminary estimate.		1997	11,830	11,486
3. Historical data for the 1970-98 period are used to indicate trends.		1998	11,771	11,667
4. Projections for 1999-2001 represent an increase of 0.5% over the average of the previous two years.		1999	11,634	
		2000	11,709	
		2001 (T)	11,730	



**ANNEX A4: SpO1: Increased Science and Technology Cooperation Among Middle Eastern & Developing Countries and Utilization of US and Israeli Technical Expertise by Developing Countries**

<b>Intermediate Results</b>	
1.1 Collaboration between Israeli and other Middle Eastern and developing countries	1.2 Israeli agricultural technical expertise transferred to Middle Eastern and developing countries
<b>Indicators</b>	
1.1.1 Increased number of joint publications	1.2.1 Sustained 1996 level of farmers and extension agents trained in agricultural technologies
1.1.2 Increased number of exchanges of technical people between countries	1.2.2 Sustained 1996 level of technical assistance consultancies in developing countries
1.1.3 Increased number of regional meetings and workshops per year	1.2.3 Increased number of trainees from Middle Eastern countries

SpO1: Increased science and technology cooperation among Middle Eastern and developing countries. <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.1:</b> Collaboration between Israeli and other Middle Eastern or developing country scientists established.			
<b>INDICATOR 1.1.1:</b> Increased number of joint publications			
<b>UNIT OF MEASURE:</b> Number of publications authored by both Israeli and Middle Eastern or developing country scientists. <b>SOURCE:</b> Annual grant reports <b>INDICATOR DESCRIPTION:</b> Number is cumulative across all grants in MERC and CDR . <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		25
	1997	35	32
	1998	40	34
	1999	50	

<b>SpO1: Increased science and technology cooperation among Middle Eastern and developing countries</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.1:</b> Collaboration between Israeli and other Middle Eastern or developing country scientists established.			
<b>INDICATOR 1.1.2:</b> Increased number of exchanges of technical people between countries.			
<b>UNIT OF MEASURE:</b> Number of cross-country visits for research implementation and training per grant per year. <b>SOURCE:</b> Annual grant reports <hr/> <b>INDICATOR DESCRIPTION:</b> Physical exchanges of people between countries. <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		1.5
	1997	3	1.7
	1998	4	1.4
	1999	4	

<b>SSO1: Increased science and technology cooperation among Middle Eastern and developing countries.</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.1:</b> Collaboration between Israeli and other Middle Eastern or developing country scientists established.			
<b>INDICATOR 1.1.3:</b> Increased number of regional meetings and workshops per year.			
<b>UNIT OF MEASURE:</b> Number of meetings and workshops in the Middle East or developing countries per year. <b>SOURCE:</b> Annual grant reports <b>INDICATOR DESCRIPTION:</b> Number is cumulative across all grants in MERC and CDR . <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		10
	1997	15	17
	1998	20	14
	1999	25	

<b>SpO1: Increased science and technology cooperation among Middle Eastern and developing countries.</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.2:</b> Israeli agricultural technical expertise transferred to Middle Eastern and developing countries.			
<b>INDICATOR 1.2.1:</b> Sustained 1996 level of farmers and extension agents trained in agricultural technologies			
<b>UNIT OF MEASURE:</b> Number of trainees <b>SOURCE:</b> MASHAV training records <hr/> <b>INDICATOR DESCRIPTION:</b> Numbers of persons attending courses <hr/> <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		4000
	1997	4000	4244
	1998	4000	3705
	1999	4000	

<b>SpO1: Increased science and technology cooperation among Middle Eastern and developing countries.</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.2:</b> Israeli agricultural technical expertise transferred to Middle Eastern and developing countries.			
<b>INDICATOR 1.2.2:</b> Sustained 1996 level of technical assistance consultancies in developing countries.			
<b>UNIT OF MEASURE:</b> Number of consultancies <b>SOURCE:</b> MASHAV records <b>INDICATOR DESCRIPTION:</b> Includes number of short and long-term consultancy programs <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		90
	1997	90	78
	1998	90	102
	1999	90	

<b>SpO1: Increased science and technology cooperation among Middle Eastern and developing countries.</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/IP			
<b>INTERMEDIATE RESULT 1.2:</b> Israeli agricultural technical expertise transferred to Middle Eastern and developing countries.			
<b>INDICATOR 1.2.3:</b> Increased number of trainees from Middle Eastern countries (total MASHAV program).			
<b>UNIT OF MEASURE:</b> Number of trainees <b>SOURCE:</b> MASHAV training records <hr/> <b>INDICATOR DESCRIPTION:</b> Number of persons attending courses. <b>COMMENTS:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		600
	1997	800	601
	1998	1000	1032
	1999	1200	

**ANNEX A4: SO1: Improved Access to Financial and Business Development Services,  
Particularly to the Microenterprises of the Poor**

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> 6/97 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/MD			
<b>INDICATOR 1.1: <del>Number of active borrowers in USAID-supported programs world-wide</del></b>			
<b>UNIT OF MEASURE:</b> Number of active borrowers  <b>SOURCE:</b> . Surveys of USAID ME programs  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>  1994 data is derived from the 1994 MEMS survey. 1996 and 1997 data is from the MRR survey of USAID funded institutions.  The percentage of women for 1994 ME programs world-wide was <u>68%</u> , for 1996 <u>66%</u> and for 1997 67%. The average loan size worldwide for programs in 1997 was \$405.  Targets are calculated on the basis of a 15% increase in number of clients receiving services, as pledged in the Microenterprise Initiative Renewal in July 1997.  Actual data lags one year behind. Data for December of 1998 will be available in June of 1999.		<b>PLANNED</b>	<b>ACTUAL</b>
	94	(Baseline)	331,243
	96	360,000	981,654
	97	1,150,000	1,400,000
	98	1,500,000	
	99	1,600,000	
	2000	1,700,000	
	2001	1,800,000	



<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> <span style="float: right;"><b>COUNTRY/ORGANIZATION: G/EGAD/MD</b></span>			
<b>INTERMEDIATE RESULT 1: Expanded Delivery of Financial and Non-Financial Services to Microentrepreneurs</b>			
<b>INDICATOR 1.1.1: Number of active borrowers of institutions supported by G/EGAD/MD programs</b>			
<b>UNIT OF MEASURE:</b> Number of active borrowers  <b>SOURCE:</b> . <b>G/EGAD/MD's IGP and PRIME programs and the Grameen Trust</b>  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>		<b>PLANNED</b>	<b>ACTUAL</b>
	95	(Baseline)	233,711
	96	300,000	364,326
	97	400,000	515,349
	98	600,000	887,288
	99	900,000	
	00	950,000	
	01	1,000,000	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> <b>COUNTRY/ORGANIZATION: G/EGAD/MD</b>			
<b>INTERMEDIATE RESULT 1: Expanded Delivery of Financial and Non-Financial Services to Microentrepreneurs</b>			
<b>INDICATOR 1.1.2: Percentage of women borrowers in G/EGAD/MD supported programs</b>			
<b>UNIT OF MEASURE:</b> Weighted average of the percentage of women borrowers of the institutions with active USAID-MD agreements during the Fiscal Year.  <b>SOURCE:</b> G/EGAD/MD's IGP and PRIME programs. <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>  <hr/> Breakdown for 1996: IGP, incl. Grameen Trust, Weighted Average: 85% PRIME weighted average: 80% Breakdown for 1997: IGP: 57%; PRIME: 84.1%; Grameen: 98.9% Breakdown for 1998: IGP: 63% PRIME: 74%; Grameen: 98.5%		<b>PLANNED</b>	<b>ACTUAL</b>
	96	75%	83%
	97	75%	80%
	98	75%	78.5%
	99	75%	
	00	75%	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> <b>COUNTRY/ORGANIZATION:</b> G/EGAD/MD			
<b>INTERMEDIATE RESULT 1: Expanded Delivery of Financial and Non-Financial Services to Microentrepreneurs</b>			
<b>INDICATOR 1.1.3:</b> No. of Savers of institutions supported by G/EGADAD/MD programs			
<b>UNIT OF MEASURE:</b> Total number of compulsory and voluntary savers of all of the institutions supported directly by IGP and Prime Fund programs.  <b>SOURCE:</b> G/EGAD/MD's IGP and PRIME programs.  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b>  1996 Breakdown: IGP: 316,950 (includes 312,187 for WOCCU-Ecuador); Grameen Trust: 131,960; PRIME Fund: 106,457. 1997 Breakdown: IGP: 565,752 (includes 489,636 for WOCCU-Ecuador); PRIME:90,907; Grameen Trust: 81,824 1998 Breakdown: IGP:766,439 (includes WOCCU-Ecuador with 641,572 voluntary savers); PRIME 872,340 (includes WOCCU-Sri Lanka with 768,061 savers); Grameen Trust 196,575. PLANNED targets for 2000 and 20001 assume that WOCCU-Ecuador and WOCCU-Sri Lanka will still be active.	<b>YEA</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	250,000	576,217
	97	590,000	738,483
	98	750,000	1,835,354
	99	1.9 million	
	00	1.95 million	
	01	2.0 million	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> COUNTRY/ORGANIZATION: G/EGAD/MD			
<b>INTERMEDIATE RESULT 2: Increased Capability of Financial and Non-Financial Institutions to Service Microenterprises</b>			
<b>INDICATOR 1.2.1:</b> Number of operationally sustainable institutions supported by G/EGAD/MD programs.			
<b>UNIT OF MEASURE:</b> Sum of all operationally sustainable institutions with active agreements under IGP and PRIME.  <b>SOURCE:</b> G/EGAD/MD's IGP and PRIME programs.  <b>INDICATOR DESCRIPTION:</b> Operational sustainability refers to the ability of institutions to cover their expenses from client revenues.  <b>COMMENTS:</b>  1996 Data Breakdown: IGP: Out of 13 institutions, 3 are sustainable. Excludes Grameen Trust. PRIME Fund: Out of 27 microfinance institutions, 7 sustainable. 1997 Data Breakdown: IGP: Out of 17 institutions reporting, 7 operationally sustainable. PRIME: Out of 30 institutions for which we have data, 11 are operational sustainable. This data has been estimated. Excludes Grameen Trust. 1998 Data Breakdown: IGP: Out of 27 institutions reporting, 10 are operationally sustainable. For PRIME, out of 34, 12 are operationally sustainable. Excludes Grameen Trust institutions for lack of data.	<b>AR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	10	10
	97	15	18
	98	18	22
	99	23	
	00	25	
	01	27	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> COUNTRY/ORGANIZATION: G/EGAD/MD			
<b>INTERMEDIATE RESULT 2: Increased Capability of Financial and Non-Financial Institutions to Service Microenterprises</b>			
<b>INDICATOR 1.2.2:</b> Portfolio at risk of ME institutions.			
<b>UNIT OF MEASURE:</b> Weighted average of the PAR rate for all institutions supported under the IGP.  <b>SOURCE:</b> G/EGAD/MD's IGP program only.  <b>INDICATOR DESCRIPTION:</b> Delinquent outstanding balance over 30 or 90 days.  <b>COMMENTS:</b> In 1996, portfolio at risk skyrocketed to 29% and 34% in IGP programs in Zimbabwe and Bulgaria. G/EGAD/MD closed down one of these two programs. The weighted average of the portfolio at risk for the IGP programs stands at 10%.  In 1997, weighted average for IGP programs improved and stood at 6%, despite difficulties in Cambodia. Bulgaria showed improvement.  In 1998, weighted average for IGP programs stands at 8%.	<b>EAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	10%	10%
	97	10%	6%
	98	10%	8%
	99	10%	
	00	10%	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> COUNTRY/ORGANIZATION: G/EGAD/MD			
<b>INTERMEDIATE RESULT 2: Increased Capability of Financial and Non-Financial Institutions to Service Microenterprises</b>			
<b>INDICATOR 1.2.3:</b> Number of institutions exceeding client outreach targets.			
<b>UNIT OF MEASURE:</b> Number of institutions with an active IGP or PRIME grant that have exceeded client outreach targets.  <b>SOURCE:</b> <b>G/EGAD/MD's IGP programs ONLY.</b>  <b>INDICATOR DESCRIPTION:</b> IGP grant agreements include annual client outreach performance targets.  <hr/> <b>COMMENTS:</b>  1996: Six out of 11 IGP grants signed by 6/96 exceeded targets as of September 1996. Targets were not met in various countries due to delays in start-up of the local institutions or to macro-economic instability. PRIME Fund: Out of 27 microfinance institutions, 9 are exceeding client targets (K-REP in Kenya, FINCA in Malawi, ACLEDA in Cambodia, Nirdahn in Nepal, CSD in Nepal, FIE in Bolivia, Sartawi in Bolivia, FUNADEH in Honduras, CRS in Peru).  1997: IGP: 10 out of 17 institutions exceeded targets; PRIME: 11 out of 29 exceeded targets (estimated data).  1998: IGP: 22 out of 30 institutions exceeded targets. Figures exclude PRIME funded programs given that business plan reporting on these grants is not place.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	10	15
	97	17	21
	98	22	22
	99	24	
	00	26	
	01	28	

SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor			
APPROVED:		COUNTRY/ORGANIZATION: G/EGAD/MD	
INTERMEDIATE RESULT 3: Expanded Dissemination of Best Practices in USAID-Supported Programs and in the Microenterprise Development Field			
INDICATOR 1.3.1: Number of institutional assessments conducted.			
<b>UNIT OF MEASURE:</b> Number of institutional assessments conducted under G/EGAD/MD programs during the last calendar year.  <b>SOURCE:</b> IGP, PRIME, Microserve program records.  <b>INDICATOR DESCRIPTION:</b> Field assessments of ongoing or potential microenterprise programs are conducted in order to judge whether programs are developing adequately and whether they are applying best practices.  <b>COMMENTS:</b>  In Calendar Year 1996: Total 19. IGP: OI programs in Ghana and Bulgaria, WOCCU in Ecuador, MEDA in Nicaragua, World Education in Mali, CRS in Indonesia, Save the Children in Jordan, and FFH in Bolivia. Prime Fund: Cambodia, Guyana, Malawi. Microserve: Bangladesh, Bolivia (3), Sri Lanka (3)  In Calendar Year 1997: Total 28. IGP: WR in Cambodia; Woccu in Kenya; Faulu in Kenya; FFH in Mali; Katalysis in Honduras; ACDI/VOCA in Poland. PRIME: FINCA in Malawi; VITA in Morocco. Microserve only: PROMUJER in Bolivia, Peru (2); Ghana (4); Sri Lanka (5); Ecuador (2); Dominican Republic (2); El Salvador (2); Jamaica (1). Other: National Microfinance Bank in Tanzania.  In Calendar Year 1998: Total 16. IGP: Haiti, South Africa (2), Uganda, Tanzania, Zimbabwe (2), Honduras, Nicaragua, and Zambia. Microserve: Bolivia (4), Ecuador, and Sri Lanka.	YEAR	PLANNED	ACTUAL
	96	10	19
	97	15	28
	98	15	16
	99	15	
	00	15	
	01	15	

<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b>			
<b>APPROVED:</b>		<b>COUNTRY/ORGANIZATION:</b> G/EGAD/MD	
<b>INTERMEDIATE RESULT 3: Expanded Dissemination of Best Practices in USAID-Supported Programs and in the Microenterprise Development Field</b>			
<b>INDICATOR 1.3.2:</b> Number of Best Practices Conferences and Training Events			
<b>UNIT OF MEASURE:</b> Number of conferences and training events to disseminate best practices during the last calendar year.  <b>SOURCE:</b> G/EGAD/MD Staff and Microserve, MBP, AIMS programs.  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS</b>  <hr/> For calendar year 1996:  Commercial banks conference in WDC; ME conference in West Bank/Gaza; Microfinance Training in Washington D.C.; Video Training modules, Jamaica  For Calendar Year 1997:  3 USAID EGAD Workshops (Rural Finance; ME Policy Paper; Impact) ;Boulder Microfinance Institute (Faculty Participation);Lessons W/out Borders: Knoxville: Rural Finance;Microenterprise Networks Workshop: MBP/DC Village Banking Workshop: MBP/DC Insurance and Microenterprise Workshop: MBP/Guatemala City Microenterprise and Recycling Workshop: MBP/Quito; AIMS SEEP on-going virtual workshop for Seep Evaluation Group; CGAP virtual meetings on impact evaluation; 3 AIMS workshops: Zimbabwe, Peru, Uganda; and 3 Microserve Best Practices Seminars: Bolivia (2), Sri Lanka.  Calendar Year 1998: Africa Bankers Conference; LAC Banker’s conference; Best Practices conference in Poland; New Development Finance in Frankfurt; Rural Financial Services in Bolivia; Microcredit Summit in New York; Lessons without Borders in Maine; Boulder Microfinance Training course; 2 AIMS meetings in Peru and Poland; IDB Forum in Mexico; Business Development Services workshop in Zambia; SEEP meeting impact panel; and 6 MBP workshops.	<b>EAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	4	4
	97	5	17
	98	10	13
	99	10	19
	00	15	
	01	15	



<b>SO 1: Improved Access to Financial and Non-Financial Services for Microenterprises of the Poor</b> <b>APPROVED:</b> COUNTRY/ORGANIZATION: G/EGAD/MD			
<b>INTERMEDIATE RESULT 3: Expanded Dissemination of Best Practices in USAID-Supported Programs and in the Microenterprise Development Field</b>			
<b>INDICATOR 1.3.3:</b> Number of Missions served through G/EGAD/MD programs.			
<b>UNIT OF MEASURE:</b> Number of Missions served through Microserve, AIMS, MBP, IGP, PRIME and staff during the last calendar year.  <b>SOURCE:</b> G/EGAD/MD's Microserve, AIMS, PRIME reports and staff technical assistance.  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS</b>  <b>1997:</b> Missions served through MD programs in calendar year: In LAC: Bolivia, Dominican Republic., Ecuador, El Salvador, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Peru; In AFR: Botswana, Ghana, Guinea, Guinea-Bissau, Kenya, Malawi, Mali, Senegal, South Africa, Tanzania, Uganda, Zambia, Zimbabwe; In ANE: Cambodia, Egypt, India, Indonesia, Jordan, Morocco, Nepal, Philippines, Sri Lanka, West Bank/Gaza; In ENI: Romania.  <b>1998:</b> Missions served: In LAC: Bolivia, Ecuador, El Salvador, Haiti, Honduras, Mexico, Nicaragua, Peru. In AFR: Ethiopia, Kenya, Guinea, Mali, Malawi, Ghana, South Africa, Uganda, Tanzania, Zambia and Zimbabwe. In ANE: Cambodia, Indonesia, Philippines, Nepal, Jordan and Lebanon. In ENI: Kazakhstan, Bulgaria, Uzbekistan, Ukraine, Russia.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	96	20	26
	97	25	34
	98	27	30
	99	31	
	00	32	
	01	32	

<b>APPROVED:</b> 10/6/98 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/CIS			
<b>RESULT NAME:</b> <i>Encourage indigenous financial institutions to increase lending to micro and small businesses.</i>			
<b>INDICATOR:</b> Utilization rate for the entire LPG portfolio.			
<b>UNIT OF MEASURE:</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
Utilization rate as of Fiscal Year End (FYE) for the worldwide LPG portfolio.	92	50%	24%
	93	50%	32%
<b>SOURCE:</b> Contractor reports	94	40%	36%
	95	30%	30%
<b>INDICATOR/DESCRIPTION:</b>  Amount of total loans outstanding (guaranteed portion) as of FYE as a percentage of aggregate Guarantee Limits.	96	35%	29%
	97	40%	29%
	98	50%	22% *
<b>COMMENTS:</b>  The indicators measures efficiency in identifying suitable IFIs for the LPG Program, determining the appropriate portfolio size, promoting active utilization of the guarantee facilities, managing and monitoring IFI performance, and taking actions to reduce (the size of) or terminate non-performing facilities.  Note: Revised figures	99		

<b>STRATEGIC OBJECTIVE 1:</b> Improved Access to Financial and Business Development Services, Particularly to the Microenterprises of the Poor. <b>APPROVED:</b> 10/6/98 <b>COUNTRY/ORGANIZATION:</b> G/EGAD/CIS			
<b>RESULT NAME:</b> <i>Create linkages between formal financial institutions and micro and small businesses with the purpose of facilitating sustainable access to credit for those sectors.</i>			
<b>INDICATOR:</b> Change in average loan size within an IFI's portfolio under LPG coverage, per year, over the course of the facility.			
<b>UNIT OF MEASURE:</b>  Average loan size by IFI under LPG coverage	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	93	\$9,500	\$ 8,462
<b>SOURCE:</b> Quarterly qualifying loan schedules submitted by IFI's	96	\$8,000	\$6,800
	97	\$7,900	\$15,600
	98	\$7,800	\$24,000
<b>INDICATOR/DESCRIPTION:</b>  Average size of loan or line of credit granted to borrower by IFI under LPG coverage.	99		
<b>COMMENTS:</b>  The indicators seek to examine the characteristics of the LPG portfolio of loans by measuring change in average size of loans made by participating IFIs, smaller loans suggest newer, smaller borrowers accessing IFIs.  Note: Revised figures			

## **ANNEX B: UPDATED RESULTS FRAMEWORK**

### **SO3: Appropriate and Functioning Economic Policies, Market Reforms, and Institutions are Developed to Accelerate Economic Growth In Emerging Markets**

- IR1: Research is carried out leading to the development of new methodologies that are applied to analyze or reform specific policies.
- IR2: Direct hire and contracted assistance from EGAD is used by Missions and leads to more effective and efficient delivery of technical assistance.
- IR3: Country level interventions by direct hire staff or EGAD program funded contractors/grantees results in policy or institutional reform

### **SO4: Private Sector Business Linkages Support U.S. Technology Transfer In Support of Development Objectives**

- IR1: Business transactions occur with GTN support in the areas of environment, energy, health, agribusiness and information technology.

### **SO2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development**

- IR1: Sustainable technologies and policies that enhance food availability developed and adopted
- IR2: Policies and technologies that improve food access and agribusiness opportunities developed and adopted.
- IR3: Technologies, policies and practices that enhance the long-term conservation of natural resources developed and adopted.
- IR4: An information system established to enhance decision making for the agricultural sector.

### **SpO1: Increased Science and Technology Cooperation Among Middle Eastern & Developing Countries and Utilization of US and Israeli Technical Expertise by Developing Countries**

- IR1.1: Collaboration between Israeli and other Middle Eastern or developing country scientists established.
- IR1.2: Israeli agricultural technical expertise transferred to Middle Eastern or other developing countries

### **SO1: Improved Access to Financial and Business Development Services, Particularly to the Microenterprises of the Poor**

- IR1: Expanded delivery of financial and non-financial services to microentrepreneurs
- IR2: Increased capability of financial and non-financial Institutions to service microentrepreneurs
- IR3: Expanded dissemination of best practices in USAID supported programs and in the microenterprise development field
- IR4: Indigenous financial institutions increase lending to micro and small businesses
- IR5: Create linkages between formal financial institutions and micro and small businesses to facilitate sustained access to credit for those sectors

## **ANNEX C: GREATER HORN OF AFRICA INITIATIVE**

G/EGAD/AFS has supported the President's Initiative by responding to three IGAD priorities: 1) rinderpest eradication; 2) drought tolerant crop development; and 3) development of a Regional Integrated Information System (RIIS). The Office is working through its livestock CRSP (a partnership with US universities) in developing and transferring a recombinant vaccine. The activity is now at the stage of conducting field tests of the vaccine. The drought tolerant crop work is another CRSP partnership activity. It will inventory existing drought tolerant crops in the region and then work to disseminate targeted crops to farmers throughout the region. This activity is now in a start up phase. The RIIS activity will develop the design for an information system that support the work of IGAD and the regional information needs of its member states. It is being implemented in partnership with the Italian government. This activity is in mid-course, and having to deal with some difficult institution building issues. AFS supports the activity with technical backstopping for IGAD, USAID, and occasionally the Italian government.

## **ANNEX D: GLOBAL CLIMATE CHANGE**

G/EGAD/AFS contributes to two of the Agency's Global Climate Change goals: 1) increased carbon sequestration; and 2) increased local capacity to adapt. Two CRSPs, Soils and Livestock, are conducting research related to developing agricultural techniques that substantially increase the levels of carbon sequestered in the soil. The Soils CRSP is working on no-till techniques for hillside management that have as a byproduct increased carbon levels in subject soils. While this program is in mid-course, it shows sufficient promise to be under consideration by the IDB for use in Hurricane Mitch reconstruction efforts in Central America. The Livestock CRSP is conducting research to quantitatively measure sequestration levels under certain range management regimes. This work is in early stages. The Office also works with the CGIAR that is inventorying its overall portfolio to identify what contributions it is making to the global effort on climate change. Nonetheless, the CG system estimates that 21% of its total budget goes to capacity building in general, the third component of the Agency's GCC strategy.

## WASHINGTON OE BY RESOURCE CATEGORY

## ANNEX E Office/Bureau:G/EGAD

OC	Resource Category Title	FY 1999 Estimate	FY 2000 Target	FY 2000 Request	FY 2001 Target	FY 2001 Request
11.8	<b>Special personal services payments</b> IPA/Details-In/PASAs/RSSAs Salaries					
	<b>Subtotal OC 11.8</b>	0.0	0.0	0.0	0.0	0.0
12.1	<b>Personnel Benefits</b> IPA/Details-In/PASAs/RSSAs Salaries					
	<b>Subtotal OC 12.1</b>	0.0	0.0	0.0	0.0	0.0
21.0	<b>Travel and transportation of persons</b> <b>Training Travel</b> <b>Operational Travel</b> Site Visits - Headquarters Personnel Site Visits - Mission Personnel Conferences/Seminars/Meetings/Retreats Assessment Travel Impact Evaluation Travel Disaster Travel (to respond to specific disasters) Recruitment Travel Other Operational Travel	135,850	160,850	164,750	160,850	168,000
	<b>Subtotal OC 21.0</b>	209,000	234,000	240,000	234,000	245,000
23.3	<b>Communications, Utilities, and Miscellaneous Charges</b> Commercial Time Sharing					
	<b>Subtotal OC 23.3</b>	0.0	0.0	0.0	0.0	0.0
24.0	<b>Printing &amp; Reproduction</b> Subscriptions & Publications					
	<b>Subtotal OC 24.0</b>	0.0	0.0	0.0	0.0	0.0
25.1	<b>Advisory and assistance services</b> Studies, Analyses, & Evaluations Management & Professional Support Services Engineering & Technical Services					
	<b>Subtotal OC 25.1</b>	0.0	0.0	0.0	0.0	0.0
25.2	<b>Other services</b> Non-Federal Audits Grievances/Investigations Manpower Contracts Other Miscellaneous Services Staff training contracts					
	<b>Subtotal OC 25.2</b>	0.0	0.0	0.0	0.0	0.0
25.3	<b>Purchase of goods and services from Government accounts</b> DCAA Audits HHS Audits All Other Federal Audits Reimbursements to Other USAID Accounts All Other Services from other Gov't. Agencies					

## WASHINGTON OE BY RESOURCE CATEGORY

<b>Subtotal OC 25.3</b>		0.0	0.0	0.0	0.0	0.0
25.7	<b>Operation &amp; Maintenance of Equipment &amp; Storage</b>					
<b>Subtotal OC 25.7</b>		0.0	0.0	0.0	0.0	0.0
25.8	<b>Subsistence and support of persons (contract or Gov't.)</b>					
<b>Subtotal OC 25.8</b>		0.0	0.0	0.0	0.0	0.0
26.0	<b>Supplies and Materials</b>					
<b>Subtotal OC 26.0</b>		0.0	0.0	0.0	0.0	0.0
31.0	<b>Equipment</b>					
	ADP Software Purchases					
	ADP Hardware Purchases					
<b>Subtotal OC 31.0</b>		0.0	0.0	0.0	0.0	0.0
<b>TOTAL BUDGET</b>		209,000	234,000	240,000	234,000	245,000

## ANNEX F

## Economic Growth Center

## Summary Resource Request FY2001

(\$ 000,000)

Agency Objective	Former G/EGAD Objectives	New G/EGAD Objectives	Implementer	Funding Source	FY1998 Core	FY1999 Core	FY2000 MC Level	FY2001 MC Level	FY2001 Req. Level	FY2001 G/EGAD SSO/SpO		
										OE Control(\$)	OE Request (\$)	Staff * Request
Agency Objective 1.1: Critical Private Markets Expanded and Strengthened					<b>4,100</b>	<b>7,424</b>	<b>6,385</b>	<b>6,635</b>	<b>8,085</b>			
	SSO3: Support Appropriate and Functioning Economic Policies, Market Reforms, and Institutions in Emerging Markets and Priority Countries	SO3: Appropriate and Functioning Economic Policies, Market Reforms and Institutions are Developed to Accelerate Economic Growth in Emerging Markets and Priority Countries	-SEGIR/FSVC/PEDS-III -Issues in Global Marketplace	DP DP	1,600	550	900	900 250	900 1,700	22,000	22,000	11/1/1
	SSOs Total	SOs Total			<b>3,100</b>	<b>550</b>	<b>900</b>	<b>1,150</b>	<b>2,600</b>			
	SpO3: Expand Technology Transfer by US Business (GTN/Outreach)				<b>1,000</b>	<b>1,687</b>						
	SpOs Total											
		SO4: Private Sector Business Linkages	-IESC	DP		2,500	2,085	2,085	2,085	35,500	35,500	5/1/0
		Support U.S. Technology Transfer in	-ATI/EWW	DP		1,500	1,500	1,500	1,500			
		Support of Development Objectives	-GTN/Outreach	DP		1,187	1,900	1,900	1,900			
		SOs Total				<b>5,187</b>	<b>5,485</b>	<b>5,485</b>	<b>5,485</b>			
					<b>55,300</b>	<b>50,200</b>	<b>51,325</b>	<b>51,075</b>	<b>78,400</b>			
Agency Objective 1.2: More Rapid and Enhanced Agricultural Development & Food Security Encouraged	SSO2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development	SO2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development	-CGIAR	DP	25,000	18,750	20,975	20,975	25,000	120,600**	120,600**	15/15/10
			-CRSP	DP	17,250	17,000	17,000	17,000	17,000			
			-BASIS	DP	850	1,050	1,050	1,050	1,050			
			-IFDC	DP	2,000	2,100	2,000	2,000	2,000			
			-CASP	DP	1,000	0	0	0	0			
			-CASP II	DP		250	250	1,000	1,000			
			-ABSP	DP	1,000	1,000	1,000	1,000	1,000			
			-FS-II	DP	300	500	500	500	500			
			-APAP	DP	200	250	250	250	250			
			-RAISE	DP		150	150	150	150			
			-Program Support	DP		1,500	1,500	1,500	1,500			
			-BIFAD Support	DP		150	150	150	150			
			-Child Survival Initiative	CS		2,000	2,000	2,000	2,000			
			-Agr. Technology Development	DP					12,000			
			-Agr. Technology Transfer	DP					7,500			
			-Monitoring Food Insecurity & Hunger	DP					3,500			
			-Issues in Global Marketplace	DP					300			
	SpO4: Increased Science and Technology Cooperation Among Middle Eastern & Developing Countries & Utilization of US and Israeli Technical Expertise by Developing Countries (CDP/CDR/MERC)		-Old Programs	DP	2,200							
	SOs Total				<b>49,800</b>	<b>44,700</b>	<b>46,825</b>	<b>47,575</b>	<b>74,900</b>			
	SpOs Total				<b>5,500</b>							
		SpO1: Increased Science and Technology Cooperation Among Middle Eastern & Developing Countries & Utilization of US and Israeli Technical Expertise by Developing Countries	-MERC	ES		[6,000]	[10,000]	[10,000]	[10,000]	14,900	14,900	0/1/1
			-CDR	DP		1,500	1,500	1,500	1,500			
			-CDP	DP		4,000	3,000	2,000	2,000			
		SpOs Total				<b>5,500</b>	<b>4,500</b>	<b>3,500</b>	<b>3,500</b>			
					<b>6,300</b>	<b>200</b>	<b>800</b>	<b>800</b>	<b>2,800</b>			
Agency Objective 1.3: Access to Economic Opportunity for the Rural and Urban Poor Expanded and Made More Equitable	SSO1: Improved Access to Financial and Non-financial Services for Micro-enterprises of the Poor	SO1: Improved Access to Financial and Business Development Services, Particularly to the Microenterprises of the Poor	-Microserve/Chemicon/IGPs/AIMS -MSED -Sustainable Financing - Small Producers	DP/FSA/SEED DP/PJ			[25,000] 800	[25,000] 800	[25,000] 800 2,000	41,000 [1,600,000]	41,900 [1,600,000]	12/6/1 ***
	SSOs Total	SOs Total			[25,000]	[20,000]	<b>800</b>	<b>800</b>	<b>2,800</b>			
	SpO1: Better Access to Finance and Information for Micro and Small Businesses (MSED)				[1,500] <b>800</b>	[1,500] <b>200</b>						
	SpOs Total											
	SpO2: Enhance the Ability of Indigenous Business to Become Viable within Emerging Markets (IESC, ATI)				<b>5,500</b>							
	SpOs Total											
<b>CORE TOTALS:</b>					<b>65,700</b>	<b>57,824</b>	<b>58,510</b>	<b>58,510</b>	<b>89,285</b>	<b>234,000</b>	<b>234,900</b>	<b>48/24/13</b>

\*- Staff presented in following sequence: Direct Hire/ PASA , RSSA, IPA/ AAAS Fellowships &amp; IDIs.

Staff Numbers do not include 3 DH Org. Management, and 3 DH Other Staff listed under "Management Staff" in the Workforce Tables.

\*\*- \$25,000 for IFAD Exec. Directorate.

\*\*\*- Credit &amp; Investment Staff; monitoring and oversight of the new DCA.



Workforce Tables

**ANNEX G**

Org: G/EGAD															
End of year On-Board															
FY 1999 Estimate	SO 1	SO 2	SO 3	SO 4	SpO1	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con-tract	All Legal	Other	Total Mgmt.	Total Staff	
OE Funded: 1/															
U.S. Direct Hire	12	15	11	5		43	3					3	6	49	
Other U.S. Citizens						0							0	0	
FSN/TCN Direct Hire						0							0	0	
Other FSN/TCN						0							0	0	
Subtotal	12	15	11	5	0	43	3	0	0	0	0	3	6	49	
Program Funded 1/															
U.S. Citizens	4	15	1	1	1	22							0	22	
FSNs/TCNs						0							0	0	
Subtotal	4	15	1	1	1	22	0	0	0	0	0	0	0	22	
Total Direct Workforce	16	30	12	6	1	65	3	0	0	0	0	3	6	71	
TAACS						0							0	0	
Fellows	1	6	1		1	9							0	9	
IDIs						0							0	0	
Subtotal	1	6	1	0	1	9	0	0	0	0	0	0	0	9	
TOTAL WORKFORCE	17	36	13	6	2	74	3	0	0	0	0	3	6	80	

1/ Excludes TAACS, Fellows, and IDIs

Workforce Tables

	SO 1	SO 2	SO 3	SO 4	SpO1	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
<b>FY 2000 Target</b>														
<b>OE Funded: 1/</b>														
U.S. Direct Hire	12	15	11	5		43	3					3	6	49
Other U.S. Citizens						0							0	0
FSN/TCN Direct Hire						0							0	0
Other FSN/TCN						0							0	0
Subtotal	12	15	11	5	0	43	3	0	0	0	0	3	6	49
<b>Program Funded 1/</b>														
U.S. Citizens	6	15	1	1	1	24							0	24
FSNs/TCNs						0							0	0
Subtotal	6	15	1	1	1	24	0	0	0	0	0	0	0	24
Total Direct Workforce	18	30	12	6	1	67	3	0	0	0	0	3	6	73
TAACS						0							0	0
Fellows	1	6	1		1	9							0	9
IDIs		4				4							0	4
Subtotal	1	10	1	0	1	13	0	0	0	0	0	0	0	13
<b>TOTAL WORKFORCE</b>	19	40	13	6	2	80	3	0	0	0	0	3	6	86

<b>FY 2000 Request</b>														
<b>OE Funded: 1/</b>														
U.S. Direct Hire	12	15	11	5		43	3					3	6	49
Other U.S. Citizens						0							0	0
FSN/TCN Direct Hire						0							0	0
Other FSN/TCN						0							0	0
Subtotal	12	15	11	5	0	43	3	0	0	0	0	3	6	49
<b>Program Funded 1/</b>														
U.S. Citizens	6	15	1	1	1	24							0	24
FSNs/TCNs						0							0	0
Subtotal	6	15	1	1	1	24	0	0	0	0	0	0	0	24
Total Direct Workforce	18	30	12	6	1	67	3	0	0	0	0	3	6	73
TAACS						0							0	0
Fellows	1	6	1		1	9							0	9
IDIs		4				4							0	4
Subtotal	1	10	1	0	1	13	0	0	0	0	0	0	0	13
<b>TOTAL WORKFORCE</b>	19	40	13	6	2	80	3	0	0	0	0	3	6	86

1/ Excludes TAACS, Fellows, and IDIs

Workforce Tables

Org: G/EGAD															
End of year On-Board							Total								
FY 2001 Target	SO 1	SO 2	SO 3	SO 4	SpO1	Staff	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con-tract	Legal	All Other	Total Mgmt.	Total Staff	
OE Funded: 1/															
U.S. Direct Hire						0							0	0	
Other U.S. Citizens	12	15	10	5		42	3					3	6	48	
FSN/TCN Direct Hire						0							0	0	
Other FSN/TCN						0							0	0	
Subtotal	12	15	10	5	0	42	3	0	0	0	0	3	6	48	
Program Funded 1/															
U.S. Citizens	6	15	1	1	1	24							0	24	
FSNs/TCNs						0							0	0	
Subtotal	6	15	1	1	1	24	0	0	0	0	0	0	0	24	
Total Direct Workforce	18	30	11	6	1	66	3	0	0	0	0	3	6	72	
TAACS							0							0	0
Fellows	1	6	1		1	9							0	9	
IDIs		4				4							0	4	
Subtotal	1	10	1	0	1	13	0	0	0	0	0	0	0	13	
TOTAL WORKFORCE	19	40	12	6	2	79	3	0	0	0	0	3	6	85	

Workforce Tables

<b>FY 2001 Request</b>														
<b>OE Funded: 1/</b>														
U.S. Direct Hire	14	15	10	5		44	3					3	6	50
Other U.S. Citizens						0							0	0
FSN/TCN Direct Hire						0							0	0
Other FSN/TCN						0							0	0
Subtotal	14	15	10	5	0	44	3	0	0	0	0	3	6	50
<b>Program Funded 1/</b>														
U.S. Citizens	6	15	1	1	1	24							0	24
FSNs/TCNs						0							0	0
Subtotal	6	15	1	1	1	24	0	0	0	0	0	0	0	24
Total Direct Workforce	20	30	11	6	1	68	3	0	0	0	0	3	6	74
TAACS						0							0	0
Fellows	1	6	1		1	9							0	9
IDIs		4				4							0	4
Subtotal	1	10	1	0	1	13	0	0	0	0	0	0	0	13
<b>TOTAL WORKFORCE</b>	<b>21</b>	<b>40</b>	<b>12</b>	<b>6</b>	<b>2</b>	<b>81</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>	<b>87</b>

1/ Excludes TAACS, Fellows, and IDIs

# Workforce

**ANNEX H**

**MISSION :**

**G/EGAD**

## USDH STAFFING REQUIREMENTS BY SKILL CODE

<b>BACKSTOP (BS)</b>	<b>NO. OF USDH EMPLOYEES IN BACKSTOP FY 1999</b>	<b>NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000</b>	<b>NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001</b>	<b>NO. OF USDH EMPLOYEES IN BACKSTOP FY 2002</b>
01 SMG	3	3	3	3
02 Program Officer	4	4	4	4
03 EXO				
04 Controller	2	2	2	2
05/06/07 Secretary	4	4	4	4
10 Agriculture	14	14	13	13
11 Economics	5	5	5	6
12 GDO				
12 Democracy				
14 Rural Development				
15 Food for Peace				
21 Private Enterprise	17	17	17	18
25 Engineering				
40 Environment				
50 Health/Pop.				
60 Education				
75 Physical Sciences				
85 Legal				
92 Commodity Mgt				
93 Contract Mgt				
94 PDO				
95 IDI				
Other*				
<b>TOTAL</b>	<b>49</b>	<b>49</b>	<b>48</b>	<b>50</b>

\*please list occupations covered by other if there are any